

A Handbook for Gubernatorial Transition in Kentucky

Informational Bulletin No. 177

**Legislative Research Commission
Frankfort, Kentucky
May, 1995**

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Prepared by LRC Staff

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FOREWORD

In the firm belief that a smooth transition from one governor's term to the next serves the best interest of the Commonwealth, and with the recognition that facilitating such a transition is the shared responsibility of everyone in government, the Legislative Research Commission has prepared this handbook. It is designed to provide information on the governmental processes to assist in planning for the gubernatorial transition. This handbook complements two other Legislative Research Commission publications: *The Executive Branch of Government*, revised in 1994, and the *Report of the Commission on Kentucky's Government*, 1991. The reader is directed to the aforementioned publications for information on the structure of the Executive Branch and description of its programs.

This document is intended to be a reference tool for those involved in the gubernatorial transition. A summary of the activities to be accomplished during transition introduces the material. The body provides information on the office of Governor and how it interrelates with all levels of government. The appendices contain detailed information on the duties of the Governor. The suggested readings offer a sampling of the publications on gubernatorial transition, Kentucky political history, Kentucky's future, and leadership in the 1990's.

In *On Leadership*, John Gardner states: "Good leaders do not ignore the machinery. Every leader needs some grasp of how to work the system."¹ It is hoped the information contained herein on the system will allow the new Governor to focus more on what is to be accomplished than on determining how the system currently works.

This project is a revision of the publication originally published in 1991. That publication was prepared under the direction of Mary Helen Miller. Contributing staff were Michael Benassi, Joe Lee, Ivan Potter, and John Schaaf. The following individuals provided assistance in compiling information for the original publication: Richard Belding, Clay Campbell, Ron Carson, Gordon Duke, Ken Houpp, Herbert Liebman, Helen Morris, Diane Moses, Amy Peavler, Christopher Riley, and George Russell.

The revision was prepared by the following LRC staff: Peggy Hyland, Jason Snyder, Don Judy, Joyce Honaker, Joy Blanton, Greg Freedman, Greg Karambellas, Rob Williams, Norman Lawson, Mike Benassi and Jim Monsour. Charlie Bush edited the document. The assistance of Rita Ratliff and Carol Wiard in preparing the manuscript is acknowledged. Appreciation is extended to Hollis Rosenstein for assistance in compiling information on boards and commissions. Special appreciation is extended to Mary Helen Miller for reviewing this publication.

Special appreciation is also expressed to former Governors Wendell Ford, Julian Carroll and Martha Layne Collins for sharing their insights in interviews for the original publication.

Vic Hellard, Jr.
Executive Director

The Capitol
Frankfort, Kentucky
May, 1995

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INTRODUCTION

A SUMMARY OF THE TRANSITION: ELECTION TO INAUGURATION

"What do I do now?"

This is the closing line in the 1972 film *The Candidate*, as Bob McKay realizes he is Senator-elect,² and it is a question which undoubtedly has been echoed by many winners on election night.

Only five weeks separate campaigning from taking the oath of office as Kentucky's Governor. This is a critical period for establishing an administration and careful planning is essential.

The National Governors' Association has produced excellent publications to assist in gubernatorial transitions (see Appendix 8). *Governing the American States: A Handbook for New Governors*, 1978, and *Transition and the New Governor*, 1982, contain checklists and timetables for the transition and are recommended to those involved in transition. The National Governors' Association will provide assistance to a departing and/or incoming Governor upon request.

Advice from Former Governors

In 1991, the Policies Studies Organization published an analysis of a survey conducted in 1982 by the Center for Policy Research of the National Governors' Association. Fifty-three former Governors from 30 states and both political parties (thirty Democrats, and twenty-three Republicans) who served in the 1950s, 1960s, and 1970s responded to a set of questions rating advice given to new governors specifically concerning the transition period. The table below shows the ranking of transition concerns by the percentage of Governors who agree and strongly agree on the advice listed. The ranking did not change significantly when it was analyzed for a number of variables, including party affiliation, length of service, strength of formal powers, whether the former governor retired from office or was defeated, year of term, age of governor and the partisan control of the legislature faced by the new governor. The authors conclude that nearly all former Governors agree that a line of communication should be immediately established with the legislature, that the use of campaign staff in filling key gubernatorial office positions should be approached with caution, and that there is no general consensus on how best to handle the press. Finally the authors conclude:

As such, the transition period is of importance lasting well beyond its temporal parameters. The initial decisions made during this period hold political

ramifications that last throughout the governor's tenure. Indeed, success in ultimately framing and implementing policy agendas may rest upon the foundation set during the transition period. Failure to capture the public's attention or integrate the legislative branch may obscure gubernatorial policy initiatives.

Rank Order of Transition Concerns (Percentage of Governors)

	Strongly Agree (Only)	Agree and Strongly Agree
Keep an Open Door for Legislators	64	96
No Vacation in First Six Months	40	83
Hire a Good Speech Writer	40	75
Hold Regular Meetings with Staff	36	70
Hold Regular Meetings with Department Heads	34	77
Advertised/Managed Process of Citizen Contact	30	73
Separate Personal from Private Life	19	40
No Regular Press Conferences	19	60
Use Memos/Letters, not Meetings	11	41
No Open Door for the Press	8	43
Press Secretary from Statehouse Press Corps	2	21
Use Campaign Staff for Governor's Office	2	21

But Kentucky, like other states, has problems peculiar to itself. So the present document combines a summary of the information from national sources with the experiences of transitions in Kentucky.

Early Critical Decisions

There are so many decisions to make that the Governor-elect must first decide who will make which decisions. Defined responsibility facilitates the preparations for assuming office. The following are recognized as critical decisions the Governor-elect should make as soon as possible after the election:

1. Designate a transition coordinator to organize the transition office and make specific decisions in the absence of the Governor-elect. The coordinator must be respected, trusted, and recognized as a representative of the Governor-elect.
2. Designate person(s) to plan and coordinate the inaugural.
3. Designate a person responsible for closing out the campaign headquarters and preparing required financial reports.

4. Establish policy on who, if anyone, can speak for the Governor-elect in his or her absence.
5. Establish ground rules on scheduling the Governor-elect's time during transition.
6. Establish framework for transition committees.

Many sources urge the newly elected Governor to take a few days vacation once these decisions are made. This can be a valuable time to savor the victory, recuperate from the campaign, and make whatever family decisions are needed.

Meanwhile, the transition coordinator meets with the person designated by the departing Governor to identify office space and budget for the transition team, as provided in KRS 11.210 - 11.260. The coordinator puts staff in place as quickly as possible, to process the mail, accept applications and recommendations for board and personnel appointments, and handle phone calls and scheduling requests. The coordinator arranges for briefing reports on state agencies and programs through the Governor's Office for Policy and Management. Transition committees are established for program and policy areas. One of the first areas to be addressed is the Governor's Office, its structure and policies. A screening process is developed for candidates for top-level positions. News clippings and executive orders from past administrations are reviewed for a historical perspective of transition. In short, the coordinator establishes the process to handle all types of communications and collects information essential to the decisions of the Governor-elect.

Upon return from vacation, the Governor-elect should arrange to meet with the departing Governor. It is expected that they will have talked briefly prior to the vacation. This second meeting, however, would address transition arrangements.

It is recommended that the Governor-elect set aside an uninterrupted time to discuss with trusted friends and advisors the key goals of the administration and the roles and responsibilities required to reach the goals. Experts believe the most difficult part of this exercise is to limit the goals to one or two of major significance. Experience has convinced former Governors that to really make a difference in one or two areas and adequately manage the rest is an ambitious agenda.

Information on the budget requests and revenue estimates for the executive budget is furnished the Governor-elect, as provided in KRS 11.250. The budget process requires personal attention and will be time consuming. As one former Governor said, the incoming Governor must spend whatever time is required to understand the details of the budget and make decisions about priorities. Experts warn that this task should not be delegated.

Other matters which require the Governor-elect's personal attention are:

- Decisions on the organization of the Governor's Office and the Cabinet (also see Chapter 2);

- Recruiting top talent for the Office, the Executive Cabinet and other sensitive state government posts;
- Writing the inaugural speech;
- Developing a legislative agenda;
- Meeting with legislative leaders;
- Meeting with the Lieutenant Governor-elect.

The transition committees work intensely for about two weeks and submit their reports to the coordinator. The number of committees is determined by the Governor-elect, according to his or her plan for organizing the administration. The members of the transition committees in the past have been a mixture from the executive branch, the private sector, other branches of government, and the universities. The chair of each transition committee will be important to its success and must be carefully chosen by the Governor-elect. The transition coordinator assists in the direction and activities of the committees and facilitates the obtaining of any information required by the committees.

Throughout the transition, the coordinator keeps abreast of all the activities and keeps the Governor-elect informed. The administration begins taking its shape from the recommendations of the transition committees, the Governor-elect's campaign platform, information from the budget briefings, and discussions with advisors.

Transition Schedule in Brief

First Week

- Set up framework and process for transition.
- Governor and family take a vacation.

Second Week, Third Week, Fourth Week

- Transition committees are appointed and complete their reports.
- Briefing materials on state programs are completed.
- Budget briefings are held for the Governor-elect.

Fifth Week

- Inaugural Address is finished.
- Office staff and procedures are finalized.
- Key appointments are made. (In recent times, key appointments have been made throughout the transition and first few weeks of office. The

Governor will need the Cabinet in place during the session of the General Assembly.)

For Inauguration Day the following office tasks should be completed:

1. Locks in the Governor's Office at the Capitol changed after midnight. This is standard procedure and can be arranged through the Department for Facilities Management. All locks will be changed.
2. List of persons authorized to enter the Governor's Office provided to Capitol Security. Badges issued to staff. Arrangements made with Capitol Security for access to office as needed on Inauguration Day.
3. Stationery, official forms, and pens for ceremonial signings procured.
4. Gifts and official mementos of the Inauguration chosen and purchased as soon as possible after the election. Presentation of items arranged.
5. Executive Orders prepared for the Governor's signature for appointments to be made on Inauguration Day; e.g., the Adjutant General, top aides and Cabinet members.
6. Swearing-in of Cabinet officers arranged as needed.
7. Governor's office staff contact for Disaster and Emergency Services made known to that department.

For a manageable first day in office, the following tasks should be completed (also see details in Chapter 2):

1. Staff assignments for responsibilities, offices, telephones and parking spaces.
2. The office structure established and explained to staff.
3. Written procedures provided for as many functions as possible; in particular, the handling of media inquiries, mail, phone calls, and scheduling requests.
4. Persons identified to answer questions in as many areas as possible.
5. Office supplies and stationery available.
6. Additional swearing-in ceremonies for cabinet members arranged as needed.
7. Arrangements made for handling media requests for "first day in office" accounts.

8. Assurance that office equipment is in operating order.

Inauguration Ceremonies

Inauguration Day represents both an ending and beginning. It is the culmination of months of arduous effort and the beginning of an exciting new term. It is a time of ceremony and celebration.

Prior to the day-long festivities comes a series of ceremonies and activities steeped in lore and enhanced by law. Recent Governors and Lieutenant Governors have taken the oaths of office in private ceremonies shortly after midnight on the fifth Tuesday after the General Election. The oaths are administered by judicial officers selected by the Governor-elect and Lieutenant Governor-elect. Tradition holds that the officer swearing in the chief executive be a member of the state's highest court. The incoming Governor also chooses a cleric to give the inaugural invocation. The public ceremony follows the Inaugural Parade.

Kentucky statutes require that the Governor appoint an adjutant general "immediately upon induction to office." This is accomplished by executive order. Many Governors also have used the pre-parade hours to install other cabinet and department level officials.

Inaugurations in Kentucky include both tradition and fiat. While many Governors have called upon the heads of their Franklin County political campaign committees to chair the inauguration committees, such decisions are, naturally, the option of the Governor-elect. Numerous organizations and individuals are at the Governor-elect's call to ensure a successful and enjoyable transition. Frankfort municipal officials and state government staff have always coordinated parking and shuttle bus services, to provide maximum transportation facilities with minimum delay.

Tradition and logistics have dictated that the inauguration parade commence at the west end of Main Street and wind through downtown Frankfort, across the Capital Avenue Bridge and up to the State Capitol. Among the leaders of the parade are floats, bands or marchers from the home counties of the incoming Governor and Lieutenant Governor. Bunting-draped light poles, horse-drawn carriages, participation by military units from Fort Knox, and flybys of Kentucky Air National Guard aircraft are major parts of this quadrennial celebration.

The Governor-elect's inauguration committee will require a permit and license from the Frankfort City Police for the inauguration parade. The Frankfort Police Department and the Kentucky State Police, aided by law enforcement officers from across Kentucky, have provided security and traffic control in previous inaugurations.

Additionally, tradition has dictated that the Mayor of Frankfort and the Franklin County Judge/Executive deliver welcoming remarks at the public inaugural ceremony.

The inauguration committees have traditionally been organized by function and have included the worship service, the parade, the swearing-in ceremony and platform arrangements, a reception for the first family, the ball and grand march, a hospitality tent, decorations, credentials, press and publicity, programs, invitations, parking, traffic control, sales of commemorative items, arrangements for special guests, entertainment, food, and the coordination of volunteers.

CHAPTER I

THE ROLES OF GOVERNOR

The supreme executive power of the Commonwealth shall be vested in a Chief Magistrate, who shall be styled the Governor of the Commonwealth of Kentucky. (*Section 69, the Kentucky Constitution.*)

Constitutional Powers

The powers granted to the Governor under the Constitution of Kentucky can be categorized as administrative, judicial, and legislative.

Administrative Powers. Section 69 vests in the Governor the *supreme executive* powers. Section 81 provides that the Governor is to take care that the *laws are faithfully executed*. These two sections make it clear that the Governor is the chief executive of state government, but they are vague as to how the Governor is to function in that role. The Governor is authorized by Section 78 to require information from officers of the Executive Branch upon any subject relating to the duties of their offices. Section 75 designates the Governor as *Commander-in-Chief* of the militia. Section 76 empowers the Governor to *fill vacancies*.

Judicial Powers. Section 77 authorizes the Governor to "remit fines and forfeitures, commute sentences, grant reprieves and pardons, except in case of impeachment." In case of treason, the Governor may "grant reprieves until the end of the next session of the General Assembly."

Legislative Powers. Section 88 requires *every bill that has passed two Houses to be presented to the Governor*, who has ten days to act on the bill. If the Governor signs the bill, it becomes law. The Governor may veto the legislation and return it to the General Assembly with objections. If a majority of the members elected to each house approve the bill, the veto is overridden and the bill becomes law. If the Governor fails either to sign or veto the bill during the ten-day period, the bill becomes law without the Governor's signature. As to appropriations bills, the Governor may exercise a line-item veto by disapproving specific sections of the bill, which sections shall not become law unless overridden by the General Assembly. A vote to adjourn the General Assembly (Section 89), a state constitutional amendment (Section 256), and a tax referendum under Section 171 are not subject to the Governor's veto.

Section 79 directs the Governor to give to the General Assembly information of the *state of the Commonwealth* and recommend to their consideration such measures as he or she may deem expedient. Section 80 authorizes the Governor to convene the General Assembly on "*extraordinary occasions*." The Governor must convene the General Assembly by a proclamation that states the subjects to be considered; no other subjects may be considered. If the two houses disagree as to the time of adjournment, the

Governor may adjourn them to such time as he or she deems proper, not exceeding four months.

Statutory Powers

The Constitution gives the Governor administrative powers to be the chief executive of state government. Sections 69 and 81, as noted above, vest in the Governor the supreme executive power of the state and require the Governor to see that the laws are faithfully executed. These Constitutional provisions are vague and do not specify the functions of the Governor as the administrative head of state government. It is left to the General Assembly through enactment of statutes to breathe life into these and the other broad provisions of the Constitution pertaining to the Governor.

The Constitution is silent on the employment of staff, the appointment of department heads, and the fixing of salaries by the Governor. These and other administrative powers of the Governor were enacted into law by the General Assembly. The administrative powers of the Governor authorized by the General Assembly include appointment of heads of departments for terms up to 4 years, appointment of deputy head of departments and directors of divisions and institutions, appointment to administrative boards and commissions, and establishment of general rules of conduct for administrative departments.

Roles of the Governor

The "supreme executive power" is displayed in the many roles of a Governor, which include the following:

1. The role of head of state is both symbolic and constitutional. The Governor offers and receives gifts, commendations and greetings on behalf of the people of the Commonwealth of Kentucky at numerous meetings, conferences, parades, festivals and other events. In addition, the Governor represents Kentucky before Congress, on international economic development trips, in negotiations for interstate agreements and compacts, and in legal disputes as plaintiff or defendant.
2. As chief executive officer of state government, the Governor signs numerous government documents, appoints hundreds of people, controls an executive budget, declares emergencies, makes awards, and directs the operation of the executive branch.
3. The Constitution provides for the balance of power in the three branches of government. Consequently, the Governor, as head of the executive branch, works as partner with the leaders of the legislative and judicial branches. This partnership with the legislative branch is particularly critical, since the

General Assembly enacts the executive budget and the statutes affecting state government.

4. The Governor represents Kentucky on the regional, national and international scenes as well. This role has gained importance, as a result of rapid growth in technology, the realities of a global economy, and awareness of the global environment. Opportunities to have a leadership role in regional and national issues lie in the associations to which the Governor belongs. There are many international opportunities in economic development, and more recently in the area of providing technical assistance to emerging democracies.
5. Politically, the Governor serves as the leader of his or her party in the state. The party influence outside the state can also be significant, through political party structures and alliances made with other Governors.
6. The person who is elected Governor continues to be a spouse, a parent, a son or daughter, and a friend, and retains other personal roles which were held before election day. One of the great challenges of the office is balancing the demands of the private person with the demands of the public office. There will never be enough time available for the private life of a Governor. A reasonable amount may be had only by deliberate attention and choice.

The establishment of a team and the delegation of responsibilities are necessary to successfully fill these roles. However, only the Governor holds the constitutional power of the office. Because of this power and the many roles cast upon this one person, the scheduling of a Governor's time is a primary challenge to an administration. Consequently, it will serve the Governor well to examine the demands of the office in advance and make some broad decisions on the priority which will be placed on categories of requests. The requests will begin with the first mail delivery and contacts made within the first hour of election and will number in the hundreds per month. Controlling his or her time and agenda will require firm action and tough choices by the Governor.

Shaping Public Policy

The Budget

The Executive Budget is the most effective means for a Governor to set and implement public policy and priorities. Because of the timetable for preparation and submission of the state's biennial budget, a new Governor must act quickly to formulate a budget plan. Because the Governor is head of the Executive Branch and because ninety-seven percent of state spending is authorized in the Executive Budget Bill, a Governor exercises an influential policy role in the budget process. A Governor is inaugurated in

early December. The General Assembly convenes on the Tuesday after the first Monday of January, and the Governor is required by statute to submit the budget for the next biennium by the fifteenth legislative day - seven weeks after Inauguration Day and twelve weeks after Election Day.

The Governor-elect should be aware that several provisions of the Constitution relate directly to the budget process. Section 46 requires all bills for appropriating money or creation of a debt to receive the votes of a majority of all members elected to the House and Senate. Section 47 states that bills to raise revenue must originate in the House and that the Senate may amend tax bills. Sections 49 and 50 contain restrictions on the creation of debt without a vote of the electorate. Section 171 permits the levy and collection of taxes for public purposes only and by general laws and requires that a balanced budget be enacted. Section 230 requires legislative appropriation of money withdrawn from the Treasury and dedicates revenue from motor fuel and motor vehicle taxes and fees to highways, vehicle regulation and administration purposes.

The budget process begins prior to the election of the Governor, when forms and instructions approved by the Legislative Research Commission in July are sent to all agencies in the three branches for return in mid-November. Executive branch agencies are usually directed to submit their budget requests in mid-October, so that such materials may be prepared and made available to a newly elected Governor during the transition period prior to inauguration.

Under KRS 48.060(1) a Governor-elect receives all agency budget requests and supporting documentation by November 10. The Governor-elect and designated persons are entitled to participate in the budget-making process for the Executive Branch.

Preliminary General Fund and Road Fund estimates are provided by the Finance and Administration Cabinet in mid-October. Final revenue estimates are due by the fifteenth legislative day, the same deadline for the executive budget to be introduced in the General Assembly in the year following a Governor's election. State agencies provide estimates of anticipated federal and restricted funds receipts for the biennium.

Capital Planning. KRS 7A.010-170 addresses the long-term capital planning and programming process for state government. State agencies must prepare six-year capital improvement plans, based upon agency policy issues and projected program needs. These capital plans and programs, which identify the implementation status of projects authorized in the Enacted Budget for the current fiscal biennium, as well as all proposed projects for the next two biennia, are submitted by each branch for review and approval by the Capital Planning Advisory Board by April 15 prior to the Regular Session. The membership of the Board includes four appointed persons each from the Legislative, Executive and Judicial Branches and three public members appointed by Branch officials. The Board has the statutory duty to recommend a comprehensive statewide capital improvement plan for state spending on capital projects by November 1. Any project requested for funding by the 1996 General Assembly must be itemized in the Agency's 1994-2000 Plan approved by the Board.

Consideration of Long-Term Trends. A new feature of the 1996-98 budget process is the relationship of agency budget requests and branch budget recommendations to long-term social, economic and demographic trends. KRS 7B.060 directs the Kentucky Long-Term Policy Research Center to prepare a biennial report on such trends and related implications for public policy-making. This report is issued in December prior to the beginning of the budget preparation process and is submitted to the Governor, the General Assembly, state agencies and the public. State agency and branch heads must address the trends outlined as budget priorities are determined. The LRC budget forms and instructions must require that agencies explain how their budget priorities address the trends and long-term policy implications contained in the biennial trends report.

The schedule for preparing the 1996-98 executive branch budget is as follows:

**1996-98 BUDGET CALENDAR
EXECUTIVE BIENNIAL BUDGET PROCESS**

DEADLINE	ACTION
April 1, 1995	Draft uniform budget preparation forms are proposed by representatives of the Governor, Chief Justice, and Legislative Research Commission, for adoption by the Legislative Research Commission (LRC). KRS 48.040(1)
July 1, 1995	LRC prescribes uniform forms, records, and instructions to be used by all branch budget units in preparation of agency requests and to be used by all branch heads in submission of budget recommendations. KRS 48.040(2)
September 1, 1995	The Finance and Administration Cabinet issues uniform forms and instructions and expenditures statements and supplies to each branch sets of prescribed forms and instructions and statements of expenditures. KRS 48.040(3)
October 15, 1995	The Finance and Administration Cabinet shall provide preliminary detailed revenue estimates for the General Fund and Road Fund. KRS 48.120(1)
November 10, 1995	The Governor-elect receives all agency budget requests and supporting documentation for the Executive Branch. The Governor-elect and designated persons are entitled to participate in the budget process. Constitutional officers-elect receive, upon request, budget requests and supporting documentation relating to their offices. KRS 48.060
November 15, 1995	Budget unit heads must submit unit requests to the Legislative Research Commission and specified branch officer. KRS 48.050

15th Legislative Day	Branch heads shall submit branch budget recommendations to the 1996 General Assembly by the 15th Legislative Day. KRS 48.100(1) The Governor is directed to submit additional financial and budgetary information by KRS Chapter 48.
15th Legislative Day	The Finance and Administration Cabinet shall certify final detailed revenue estimates for the General Fund and Road Fund to the 1996 General Assembly. KRS 48.120(2)

The regular session of the General Assembly extends to April 15th, and the Governor may submit amendments to the budget throughout the legislative process. Since a budget address usually is presented at the time the Executive Budget is introduced, major policy changes are not likely after introduction, unless the final revenue estimate has unexpected news. Hearings on the budget are held by the House and Senate. Executive Cabinet and major agency heads appear before the Appropriations and Revenue Committees to answer questions and supply information about agency budget requests, branch recommendations and other fiscal matters. As provided in its Rules, the House utilizes six standing budget review subcommittees, which are assigned functional jurisdictions, to conduct budget deliberations and to formulate budget recommendations to the Appropriations and Revenue Committee. The full Senate Appropriations and Revenue Committee conducts budget hearings. If the Governor has a legislative program for the General Assembly to consider, bill proposals should be developed and transmitted early in the session, in order that the budget bill may provide for any related fiscal impacts on revenues and appropriations and the budget committees may give timely consideration prior to action in each chamber.

Since 1980, the Executive Biennial Budget has been finalized by a free conference committee composed of members of the Senate and House.

Sources of Revenue. A review of the budget process would be incomplete without treating the major sources of revenue which finance activities and services of state government. This treatment is critical to the process because the Governor must recommend, and the General Assembly must enact, a budget which balances proposed expenditures with anticipated available revenue by funding source. Major fund sources in the budget are:

- (1) **General Fund** - state tax revenue collected under general tax laws and other designated moneys available for the activities and operations of state government;
- (2) **Road Fund** - Motor fuel tax revenue and motor vehicle fees, which the Constitution dedicates to road, vehicle regulation and related administration purposes;
- (3) **Federal Funds** - Moneys received by state agencies for specified purposes from the federal government in the form of grants, contracts or other aid;
- (4) **Restricted Funds** - Money collected by state agencies which are restricted by statutes for expenditure toward general or specific uses by an agency. Restricted sources include regulatory and occupational fees and licenses, tuition, service

charges, goods or product sales, donations or grants from non-state sources and expendable trust receipts and earnings.

These fund sources and highway bonds receipts comprise the total operating budget of the Commonwealth. In addition to the Operating Budget, the Executive Budget Bill includes the Capital Budget. Capital projects costing \$400,000 or more, equipment items costing \$100,000 or more and leased space costing more than \$200,000 are required by statute to be itemized in the budget bill with associated funding source. Bond Issues which require an appropriation of state funds to retire the debt must be authorized by the General Assembly and the funding source for debt service must be specified.

The charts on the following pages provide a breakdown of the 1994-96 major revenue sources for the General Fund (Chart A) and for the total operating budget (Chart B) and the 1994-96 distributions of appropriations by major budget function, both by General Fund appropriation (Chart C) and total operating budget appropriation (Chart D).

The Governor's Office for Policy and Management (GOPM), as the Executive Branch budget office, performs a critical role in providing detailed information and analysis to a Governor-elect during the transition period regarding government programs, operations and fiscal policy. The State Budget Director, who is appointed by the Governor, heads this office. The professional staff has the knowledge and expertise to assist the Governor in formulating budget policies and priorities and preparing the Executive Budget to be submitted to the General Assembly in January.

Legislation

Another means of shaping public policy is legislation. The Governor submits a legislative package to the General Assembly through the respective party floor leaders of the House and Senate. Since only members of the General Assembly may introduce legislation, the partnership of the Governor and legislative leaders is critical to the success of the Governor's legislative package. (See Chapter IV for more detail on the Governor's role with the General Assembly.)

It is important to note that the Executive Agencies routinely have a deadline of mid-August prior to the legislative session to submit proposed legislation to interim committees. Consequently, proposals for changes within the executive branch will be made prior to the election. A review of these proposals will logically be a priority for a new administration.

Administrative Regulations

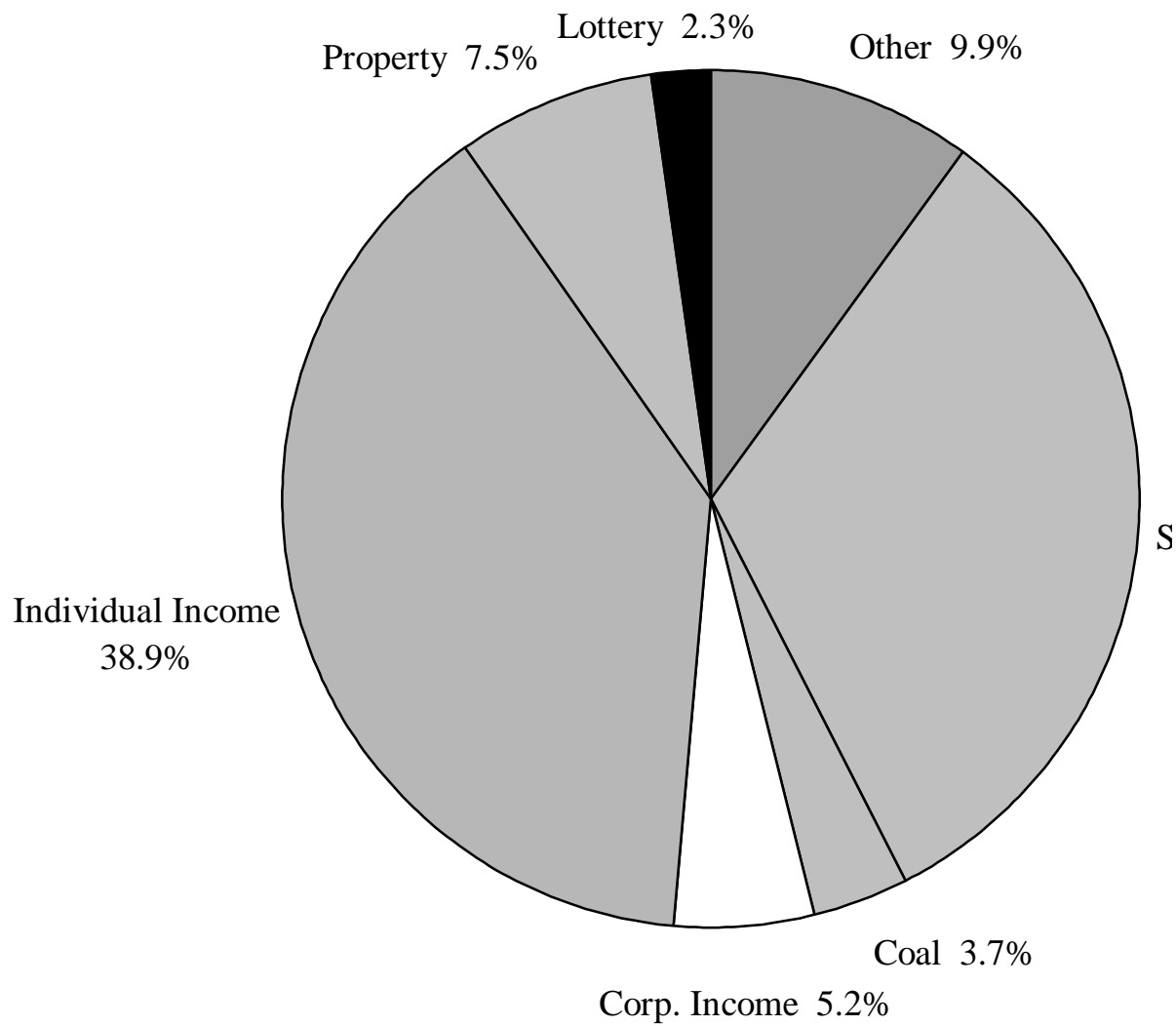
Administrative regulations also affect public policy. The promulgation of administrative regulations must be specifically authorized by statute or be required by federal law. Many statutes give broad discretion to Executive Branch agencies to promulgate administrative regulations.

Administrative regulations promulgated by governmental agencies implement statutes enacted by the General Assembly. For example, the requirements for licensure as a nurse are established by the Board of Nursing, and the safety and types of material for buildings and construction are established by the Department of Housing, Buildings and Construction through the promulgation of administrative regulations.

An average of seventy administrative regulations are filed each month with the Legislative Research Commission, and published in the *Administrative Register*. The *Administrative Register*, published monthly, contains all administrative regulations filed with the Legislative Research Commission on or before the fifteenth of the previous month, and averages approximately 250 pages each month. The *Administrative Register* also contains administrative regulations that have been amended after a public hearing, emergency administrative regulations, the minutes of

FB 1994-96 SOURCES OF GENERAL FUND REVENUE

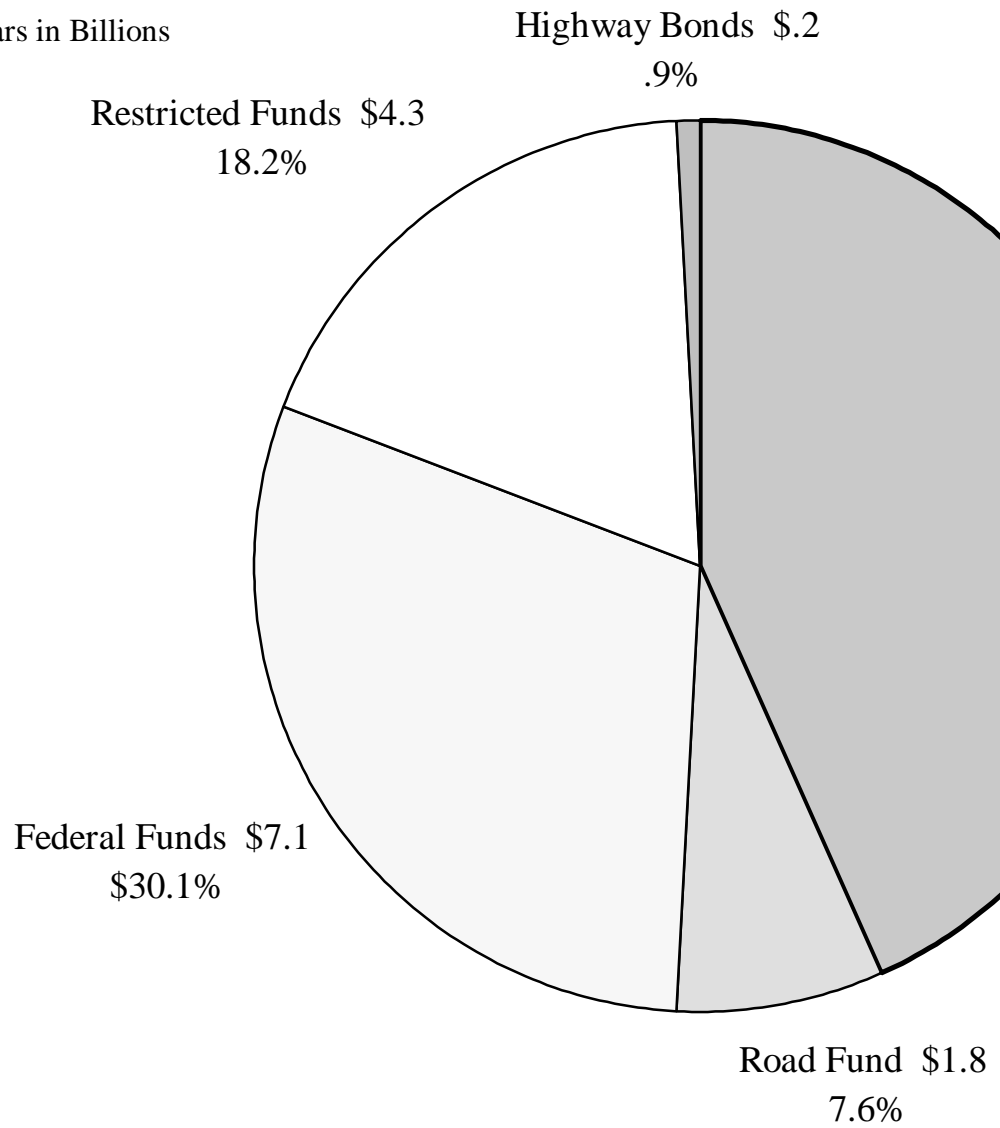
TOTAL REVENUES = \$10.2 BILLION



FB 1994-96 SOURCES OF TOTAL OPERATING FUNDS BUDGET

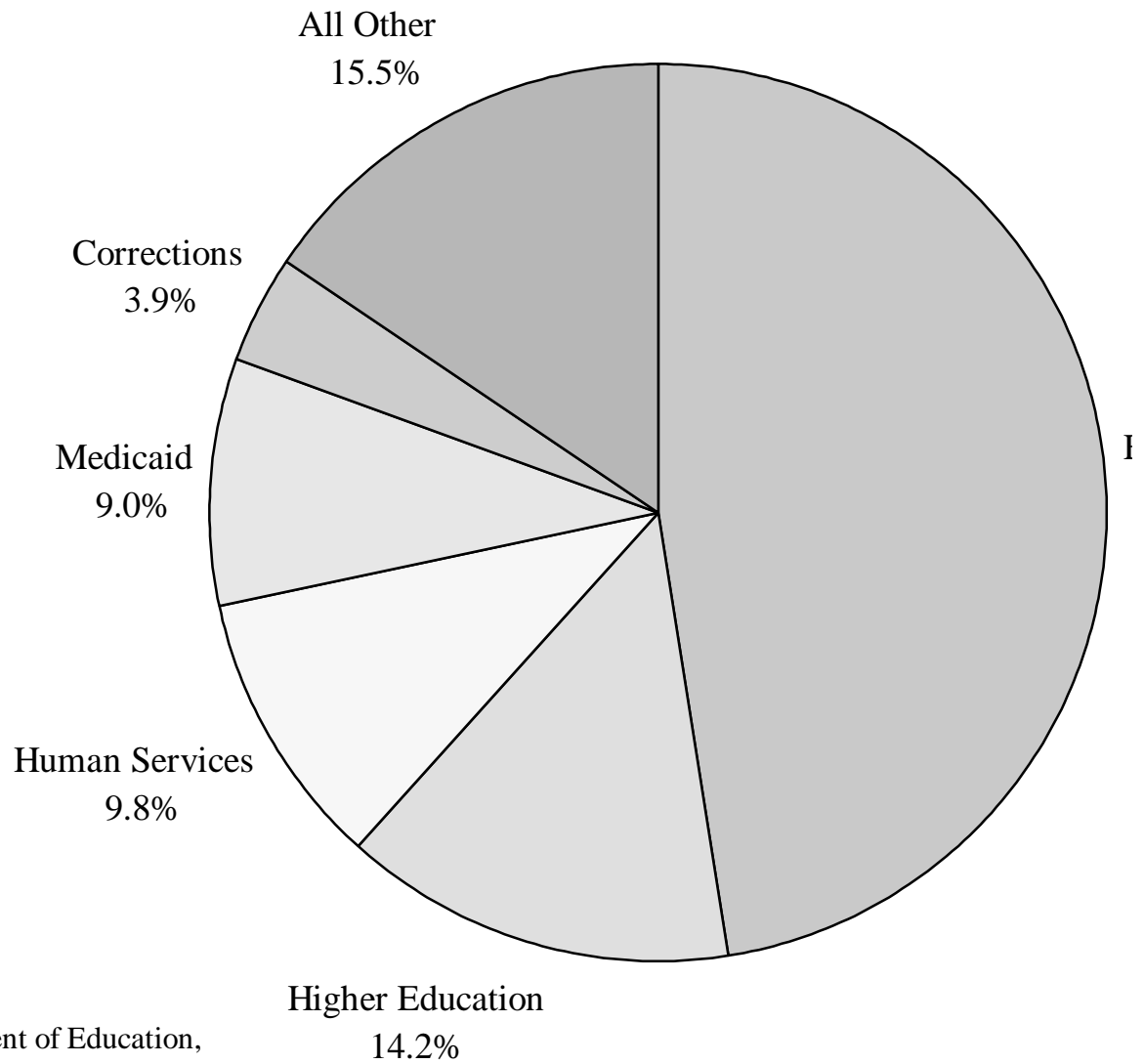
TOTAL \$23.6 BILLION

Dollars in Billions



TOTAL \$10.2 BILLION

**FB 1994-96 DISTRIBUTION OF
GENERAL FUND APPROPRIATIONS**

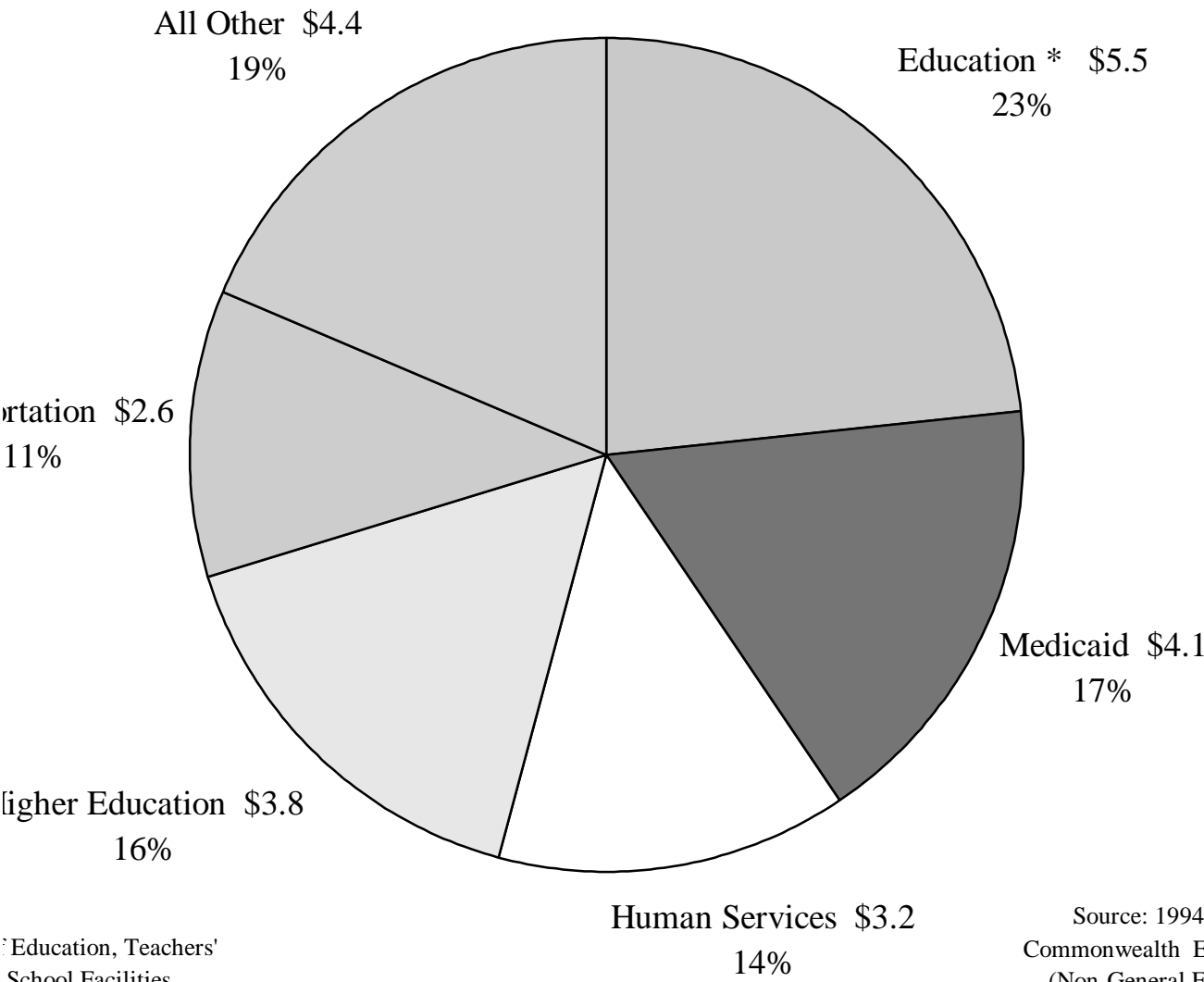


* Includes the Department of Education,
Teachers' Retirement System, and School
Facilities Construction Commission

CHART D

**FB 1994-96 DISTRIBUTION OF TOTAL
OPERATING FUNDS APPROPRIATIONS**

Billion
lions



* Education, Teachers'
School Facilities
Commission

Source: 1994-96 Budget of the
Commonwealth Excludes Capital Funds
(Non-General Fund) and Continued
Appropriations

legislative subcommittees that have reviewed administrative regulations, cumulative indexes with subject indexes, cross references to applicable statutes, and effective dates of administrative regulations.

The compilation of all administrative regulations in effect on August 1 of each year is published annually in August. This compilation is called the Kentucky Administrative Regulations Service. The number and length of regulations have increased dramatically in recent years. In August, 1994, the bound volumes of the Kentucky Administrative Regulations Service contained approximately 4,800 pages. Members of the public may subscribe to the monthly *Administrative Register* and the Kentucky Administrative Regulations Service. These publications may also be found at various libraries across the state.

KRS Chapter 13A governs the promulgation and legislative review of administrative regulations. Recent amendments to KRS Chapter 13A enacted by the General Assembly have provided for extensive legislative and public review of administrative regulations. KRS Chapter 13A requires review by two legislative subcommittees. These are the Administrative Regulation Review Subcommittee, and a second legislative subcommittee selected by the Legislative Research Commission. The second legislative subcommittee will be an Interim Joint Committee, during the interim between Regular Sessions of the General Assembly, and a Standing Committee of the Senate and House of Representatives during a Regular Session of the General Assembly. If either committee finds an administrative regulation deficient because it determines the administrative regulation does not conform to statutory authority, the regulation will expire on adjournment of the next Regular Session of the General Assembly, unless it is enacted into law.

KRS Chapter 13A also permits participation in the drafting of administrative regulations by regulated entities and members of the public. A governmental agency is required to notify the public of its intent to promulgate an administrative regulation, and to permit members of the public to request a public hearing prior to its promulgation of an administrative regulation. Only then may it promulgate and file an administrative regulation. When an agency files a notice of intent to promulgate, and when it files an administrative regulation with the Legislative Research Commission, it must file documents that inform legislative subcommittees and the public of the economic impact of the administrative regulation. Following the promulgation and filing of an administrative regulation, members of the public may request a public hearing on the administrative regulation. An agency must consider comments made at a public hearing and file a report, a Statement of Consideration, on the public comments and its response to them with the Legislative Research Commission. The review of an administrative regulation will be completed between four and eight months after the administrative regulation has been filed with LRC.

If the Governor signs a statement that the public health, safety or welfare requires immediate action, an emergency administrative regulation may be promulgated and will take effect immediately. An emergency administrative regulation may remain in effect

for 170 days. An emergency administrative regulation is reviewed in the same manner as an ordinary administrative regulation.

KRS Chapter 13A provides for the promulgation and review of administrative regulations.

The following chart outlines the process:

ADMINISTRATIVE REGULATION PROCEDURE	
LRC	Agency
	Notice of Intent To Promulgate
	--Filed With LRC
	--Mailed to members of public, if requested
	Published in Administrative Register
	Public Hearing, if requested
	Statement of Consideration Filed With LRC
Review By Interim Joint Committee Staff Review By Administrative Regulation Review Subcommittee Staff	Administrative Regulation Filed With LRC
	Notice To Public
	Published in Administrative Register If filed on or before 15th, next month If filed after 15th, second month Administrative Register published first day of each month.
	Public Hearing, if requested
	Statement of Consideration Filed With LRC
If Administrative Regulation Amended After Public Hearing	
Review By Staff of: Interim Joint Committee and Administrative Regulation Review	Amended regulation published in Administrative Register

LEGISLATIVE SUBCOMMITTEE REVIEW	
<u>Administrative Regulation Review Subcommittee Meeting</u> Administrative Regulation May Be:	
	Amended Approved Found Deficient
Subcommittee Submits Report to LRC	
<u>LRC</u> Assigns administrative regulation to:	
	Interim Joint Committee, or Standing Committee during Regular Session

ADMINISTRATIVE REGULATION PROCEDURE, cont'd.
<u>Interim Joint Committee (Interim) or Standing Committee (Regular Session)</u> If Subcommittee Reviews Administrative Regulation Amended Approved Found Deficient Subcommittee Submits Report to LRC
Effective Date of Ordinary Administrative Regulation Earlier of: 30 days after LRC assignment, if legislative subcommittee does not review or Adjournment of subcommittee meeting at which regulation considered
If Amended After Subcommittee Meeting Published in Administrative Register
Effective Date of Emergency Administrative Regulation 170 days from publication in Administrative Register

Executive Orders

For immediate action, the Governor may issue an Executive Order, which becomes effective upon filing with the Secretary of State. In addition to making appointments by Executive Order, the Governor may: declare an emergency and direct the Kentucky National Guard to take action; call the General Assembly into extraordinary session.

Courts have held that reorganization of the Executive Branch of state government is legislative in nature. The Kentucky General Assembly, recognizing that changes in state government organizational structure may need to be made during the interim between legislative sessions, enacted procedures in 1962 to enable the Governor to *temporarily effect a change in the structure of the Executive Branch*. The authority granted to the Governor does not extend to reorganization of an organizational unit or administrative body headed by an elected state executive officer, unless that officer has made a request in writing. A temporary reorganization is effected by filing an *executive order* with the Legislative Research Commission and the Secretary of State. LRC refers the Executive Order to the interim joint committee of appropriate jurisdiction to review the plan and report back to LRC within 60 days. The temporary reorganization plan terminates 90 days after sine die adjournment of the next regular session of the General Assembly. Legislation is recommended to the General Assembly to confirm the plan. If the General Assembly fails to enact the plan, the previous organizational structure is reinstated upon termination of the temporary plan, and the plan may not be effected prior to the next succeeding session of the General Assembly.

Personal Appearances

The Governor also shapes public policy through speeches and personal appearances. Due to the power of the office, the Governor's personal involvement in any issue heightens its importance among the media, and thus to the citizens of the state.

The Governor's personal persuasion in private meetings with leaders from all sectors of the Commonwealth is a powerful means of influence.

Managing the Governmental Process

Personnel and Management Structure

The Governor is the chief executive officer of the Executive Department of government, commonly known as the executive branch. In February, 1995, the executive branch had 34,500 permanent, full-time employees, and approximately 5,255 others (emergency, part-time, temporary, seasonal, etc.). This figure varies from month-to-month, especially during the summer. Of the 34,500 employees, 574 are executive branch policy makers, people appointed or approved by the Governor. (A list of these positions is included in Appendix 5.)

Upon taking office, the Governor finds in place a personnel system and management structure. Governor Brown called for an organizational analysis of state government soon after he took office. In 1993, Governor Jones created the Commission on Quality and Efficiency, to take a comprehensive look at state government operations, including personnel and management. As a result of the analysis initiated by Governor Brown, his Office of Program Administration developed a management system that included a set of guidelines for span of control and lines of authority, with the following parameters:

1. Each cabinet secretary should have management responsibility for three to six departments or offices.
2. Each department commissioner should have management responsibility for three to six divisions.
3. Each division should possess no fewer than 26 filled positions.
4. Each first line manager (the lowest level of management below a division) should have seven to 143 filled positions reporting directly.
5. Each cabinet secretary and department commissioner may have one principal assistant and one secretary.

In 1993, the Commission on Quality and Efficiency noted that several organizational changes had occurred since the Brown administration and that the number of management levels and span of control varied from cabinet to cabinet. The Commission recommended eliminating excess layers of management and placing more focus on line employees who provide direct services to Kentucky citizens. In November, 1994, the Commission reported that, to implement this recommendation, job classification models had been developed to provide advancement opportunities in nonmanagement classifications, with reduction in management layers to follow adoption of the models in pilot agencies. The Commission also recommended extensive revision of the laws and procedures governing the state personnel system, but proposed the initial implementation of pilot personnel programs, to assess the impact of a variety of changes on a small scale. The 1994 General Assembly authorized the establishment of the pilot programs under the direction of a Personnel Steering Committee (KRS 18A.400 to 18A.450).

Under KRS 12.028, the Governor is empowered to reorganize state agencies between legislative sessions by issuing an executive order and accompanying reorganization plan. The plan is to explain each proposed change and to specify its impact on the budget and personnel of each affected governmental unit. If the entity being reorganized is headed by another elected executive officer or the Kentucky Economic Development Partnership, that officer, or the partnership, must request the change in writing. Another elected state official, or the partnership, may reorganize an entity the official or partnership heads, without seeking the Governor's approval. It is not unusual for a Governor to freeze reorganization orders and the creation of positions early in an administration, however, to allow time to consider the entire organizational structure.

The Department of Personnel, headed by a commissioner appointed by the Governor, has the responsibility of administering the Merit System created by KRS Chapter 18A. Organizationally it is attached to the Office of the Secretary of the Governor's Executive Cabinet. The department maintains central personnel files, processes personnel documents and positions actions, operates and maintains a uniform payroll system, implements lay-off plans, certifies payrolls, and monitors and assists state agency compliance with the provisions of the federal Fair Labor Standards Act (FLSA). Further, the department is charged with operating a centralized applicant and employee counseling program and an examination program for state employment, preparing registers of candidates for state employment, coordinating outreach programs, such as the administrative intern program, administering benefit programs for covered employees, maintaining classification and compensation plans and designing and administering certain mandated programs, e.g., performance evaluation, sick leave sharing, work-related incentive programs, health and safety programs (OSHA), and assessment and referral programs provided to state employees in need. (Appendix 6 contains state employee salary ranges and benefits.)

In addition to the Department of Personnel, there is an independent Personnel Board, also created by KRS Chapter 18A. It hears grievances and appeals from covered

employees and investigates complaints regarding the enforcement of the Merit system. Five of the seven members of the board are appointed by the Governor, subject to Senate confirmation, and two are elected by employees. Board members serve four-year terms, and are subject to removal by the Governor, provided such removal is for cause. These removals are appealable to Franklin Circuit Court, as are final orders of the board.

Both the Commissioner of the Department of Personnel and the Personnel Board have regulatory authority, defined in KRS Chapters 13A and 18A.

KRS 12.210 requires the Governor to approve the hiring of any attorney in state government. Prior to giving approval, the Governor must receive verification from the Attorney General that that office cannot provide the requested legal services. As of January 1, 1995, there were approximately 300 employees in permanent, full-time attorney positions in state agencies, not including the Attorney General's Office.

Executive Branch Ethics Provisions

The 1992 General Assembly enacted the Executive Branch Code of Ethics (KRS Chapter 11A) to establish guidelines for state officers and employees in the executive branch, and to create the Executive Branch Ethics Commission to implement the code. In the 1993 1st Extraordinary Session, the General Assembly established guidelines for executive agency lobbying (KRS Chapter 11A). The 1994 General Assembly enacted provisions relating to outside employment of public servants and acceptance of gifts by public servants. The code generally applies to all statewide elected constitutional officers and all employees in the executive branch. Financial disclosure requirements apply to statewide elected officers, candidates for statewide elected offices, and certain listed major management personnel, including members and employees of certain boards and commissions [KRS 11A.050(1) and 11A.010]. In addition to the code, there are numerous other constitutional and statutory ethics provisions relating to procurement, open records, open meetings, campaign finance, personnel, and criminal law.* Furthermore, there are many statutes relating to specific public servants and to individual agencies, boards, commissions, and other executive branch governmental bodies.

The code's guidelines for public servants relate to such issues as: misuse of influence; misuse of official position or office; misuse of confidential information acquired in the course of official duties; use or loan of public funds; conflicts of interest between a public servant's interests as a private citizen and duties as a public servant; accepting compensation, other than that provided by law, for performance of official duties; six-month post-governmental employment restrictions dealing with accepting employment, compensation, or other economic benefit from any person or business that contracts or does business with the state in matters in which the public servant was directly involved during the last thirty-six months of state tenure; one-year post-

* A partial list includes: Kentucky Constitution Sections 173, 197, 247; KRS 45A.340, 45A.450, 45A.455, 61.010, 61.040, 61.100, 61.190, 61.805-61.850 (Open Meetings); 61.870-61.884 (Open Records); 121.330; 432.350, 514.070, 514.080, 517.110, 521.010-521.050, and 522.010-522.040.

governmental lobbying restrictions; one-year restriction regarding representing a person in a matter before a state agency; outside employment restrictions and procedures; and acceptance of gifts.

The financial disclosure statements required of statewide elected officers, candidates for statewide elected offices, and certain listed major management personnel, including members and employees of certain boards and commissions [KRS 11A.050(1) and 11A.010], are required to be filed annually with the Executive Branch Ethics Commission. The information in the statements is used to identify a public servant's interests and finances which may create a conflict with public duty. Disclosure of specific dollar amounts or of privileged information is not required. The statements are audited by the Commission and are available for public inspection and copying.

The Executive Branch Ethics Commission is composed of five members appointed by the Governor to staggered four-year terms. The Commission has certain advisory, investigatory, and adjudicatory powers to implement the code and has certain duties regarding executive branch lobbying. Included in its powers is the authority to issue advisory opinions on the code, upon written request from a public servant or upon its own initiative, to guide public servants in their own conduct.

Penalties associated with violations of the code include public reprimands, recommendations for removal from office or employment, civil penalties, and those for Class D felonies. Failure to file financial disclosure statement by the due date results in withholding of salary until the statement is filed. Withheld salary is not recoverable, pursuant to Section 235 of the Constitution of Kentucky.

Appointing Authority

The appointing authority of the Governor extends to well over 2,000 positions on boards and commissions. Many of these appointments are highly sought positions which have considerable power and influence. (A listing of the appointments identified from the Kentucky Revised Statutes for this publication is in Appendix 4.) Appointments to several boards or positions require confirmation by the Senate, or by both the House of Representatives and Senate, when in session. Of these appointments, several also require review by an interim legislative committee if the appointment is made when the General Assembly is not in session. (These appointments are noted on the list in Appendix 4.) KRS 11.160 specifies the methods for handling appointments that require legislative confirmation and interim committee review.

Due to the volume of appointments and the importance and visibility of the positions, the appointment process requires careful attention. The overseer of the process has traditionally been a top staff person in the Governor's Office. Nominating requirements are often established by the specific statute governing an appointment, and unsolicited recommendations for appointments will be received. It will be necessary to identify and recruit qualified people in a wide variety of fields; however, KRS 12.070

calls for appointments to boards and commissions to include a diversity of interests and points of view in their membership. If minority groups are underrepresented on a particular board when a vacancy occurs, the Governor may appoint a minority group member, even if a statutorily prescribed list of nominees contains no one from a minority group.

It is advisable to have a screening process to obtain qualified people whose appointment will not reveal surprising information. Also needed is a procedure for notifying the appointee, notifying the person being replaced, notifying the chairperson of the board or commission, notifying other individuals affected by the appointment (e.g., the university president when a member of the board of trustees is appointed), and making the public announcement. The smooth and efficient handling of appointments will greatly benefit an administration.

Approval Authority

Over 90 types of documents require the Governor's signature. (See Appendix 3). Each type has a significant function or purpose, and it is important to understand the processes of government in order to assure efficient management. Tracking the flow of paperwork and the required approvals is one means of getting a handle on the processes. Each cabinet has an internal system for administering its workload. The Finance and Administration Cabinet serves as the processing hub for all the cabinets.

In addition, the Governor is requested to sign many awards, certificates, proclamations, and letters. One of the most requested awards is that of Kentucky Colonel. The Governor of Kentucky serves as the Commander in Chief of the Honorable Order of Kentucky Colonels, which is not a state agency, but a private, non-profit organization. However, each member of the Order is commissioned by the Governor or Lieutenant Governor. The permanent record of membership is kept by the Colonels' organization. Within the Governor's Office, records are kept of the current administrations appointees. There are also guidelines on the eligibility of appointees.

Since the Governor's signature carries legal authority and the prestige of the office, an internal review process in the Governor's office is necessary. The Governor's Counsel and Chief of Staff are traditionally responsible for advising the Governor on documents which require approval. Any documents which have legal implications should be supported by written approval of the General Counsel prior to submission to the Governor.

Communicating with Constituents

"If one had to name a single, all purpose instrument of leadership, it would be communication," wrote John Gardner in *On Leadership*.³

What a challenge! First of all, the constituents are all the citizens of Kentucky. Appearances on television, commercial and educational; speeches at public events; interviews with the media; videoconferences with various localities throughout the state; radio talk shows; and the issuance of public announcements are means for the Governor to relate a personal message to Kentuckians.

Individual Kentuckians write the Governor with all kinds of concerns and problems, and each one is important to its writer. Letters to the Governor number 300 to 600 per day. Responses may require a simple answer or may involve considerable staff time. In many instances, responses can be sent on behalf of the Governor, but a great number will require the Governor's personal signature.

In addition to responses, the Governor will initiate correspondence. Most will involve policy issues, but some will simply be commendations to individuals and groups.

Handling personal visits to the Governor's Office is an important part of the communication challenge. Visitors will include the state official with a serious policy issue to resolve, the legislator, the business person, members of the press, personal friends, dignitaries from out of state, the exasperated citizen who has a complaint that has not been resolved elsewhere in state government, protest groups, and touring citizens and groups from everywhere imaginable.

In addition to appointments, there will be numerous people who drop in, hoping to see the Governor. The appointment schedule rarely can accommodate such visits, but often a member of the staff can meet with the individual. Key to the smooth handling of visits is the person who serves as the receptionist. A courteous, tactful, and efficient manner is necessary to deal with the myriad of situations which people bring to the Governor's Office each day.

Communicating within Government

Communication within government is critical to successful leadership, including the staff within the Governor's Office, the executive cabinet, and the employees throughout state government. Many problems can be averted if there are established and known avenues for communication to and from the Governor and the personnel in the executive branch. The CEO must communicate with the organization, and this can be accomplished through memoranda, representatives, personal visits and any other means which will facilitate the flow of information.

Communication with other leaders in the state requires attention from the Governor. It is particularly important in the development of policy, but it is also important when making appearances or announcements which affect the other person, whether it is a public official, a labor representative or a business person.

Recognition of the importance of all types of communication, a plan to address the need for it, and the continuing resolve to keep it going are major factors in the success of an administration.

Working with the Media

The working relationship between the media and almost any public official is fraught with preconceptions, misconceptions, and personal biases. Both parties are usually veterans of sharp stings by the other. Yet each party needs the other to perform effectively. A few well-defined ground rules on the availability of the Governor to the media, the format of press conferences and the timely issuance of media announcements, with the availability of someone to answer followup questions, will facilitate a working relationship. Adherence to the principles of professional journalism by the press corps is necessary too. Finally, integrity and a sense of humor by all concerned will help immeasurably.

On major policy announcements, the Governor may find it useful to request to meet with the editorial boards of daily newspapers. This provides the opportunity to discuss a program in some detail, explain the rationale for a course of action, and answer questions.

When the Governor or top official personally announces anything, it heightens its importance and increases its coverage. So consideration should always be given to the best means of providing information (i.e., personal announcement, press release, press conference, or question session). Programs and changes which are being developed are newsworthy too. It is not necessary to have all details completed before acknowledging or announcing that plans are underway.

There are many programs and controversies in state government. Every cabinet has a media contact. The Governor's Press Office needs to be in contact with each cabinet, and announcements on state programs or personnel should be coordinated. Regular meetings of all executive branch press officers are recommended as a means of establishing and maintaining a working relationship among the cabinets and the Governor's Office.

The daily newspapers in Louisville, Lexington, Northern Kentucky and Frankfort, and the television stations in Louisville and Lexington have staff in or near the Capitol on a continuing basis. There are about 20 other daily newspapers in Kentucky and numerous radio and television stations around the state. Establishing and maintaining contact with these news outlets is important too. A telephone newswire, a toll-free number for the press office, and communications by fax are possibilities for providing accessibility to out-of-Frankfort media. Recent Governors have also found it helpful to hold public meetings, with all the cabinet present, in several areas of the state. This practice gives the media an opportunity to ask questions and conduct interviews with the policymakers.

Weekly newspapers have a large readership in Kentucky and are often interested in news from state government. The timeliness of the information and its interest to the public should be carefully evaluated before sending unsolicited packets of information. Faxing press notices is presently one of the best methods for timely notification.

The media won't go away. It is their job to be inquisitive, searching, and thorough. It is wise for any official to carefully consider and plan how to handle the opportunities, the frustrations and the disappointments he or she will inevitably encounter with the media.

The Regional, National and International Roles of the Governor

The roles of a Governor outside state boundaries changed dramatically in the 1980's. Changes in federally funded grant programs had dramatic effect on state budgets; federal mandates in regulatory programs brought additional responsibilities and costs. Governors consequently became more unified and more vocal in influencing national policies.

Foreign investment in America has brought competition among the states for those jobs created by economic investment. Consequently, Governors now travel abroad extensively to personally recruit businesses and industries. Most states have multiple foreign offices. Kentucky has two: Brussels and Tokyo. Kentucky also has a contact person in Seoul, Korea, who provides a link with businesses in that area. International relations for states continue to grow in importance because economic competition is also growing.

Governors have found that more can be achieved by working together on mutual problems. The associations to which the Governor belongs can provide opportunities to address regional and national issues and develop alliances with other Governors. These associations also foster a broad perspective on issues and encourage the sharing of ideas.

The associations, their structure and functions, are as follows:

I.

Organization Name: National Governors' Association
Address: 444 North Capitol Street
Washington, DC 20001-1572

Key Contact: Ray Scheppach
Title: Executive Director
Telephone: 202-624-5300

Organization:

The National Governors' Association, founded in 1908 as the National Governors' Conference, is the instrument through which the nation's governors collectively influence the development and implementation of national policy and apply creative leadership to state issues.

That Association's members are the governors of the fifty states, the Commonwealths of the Northern Marianas Islands and Puerto Rico, and the territories of American Samoa, Guam, and the Virgin Islands.

The Association has three standing committees, in addition to its executive committee:

1. Human Resources
2. Natural Resources
3. Economic Development and Commerce

The Governor of Kentucky has the right to membership on one of the standing committees.

The Association works closely with the administration and Congress on state-federal policy issues in its offices in the Hall of States in Washington, DC.

The Association serves as a vehicle for sharing knowledge of innovative programs among the states and provides technical assistance and consultant services to governors on a wide range of management and policy issues.

Major meetings are held each winter and summer. The winter meeting is held in Washington, DC, for access to federal government leaders. The summer meeting is rotated among the states. The 1995 summer meeting will be held in Burlington, Vermont, and the 1996 summer meeting is slated for Puerto Rico.

NGA leadership is based upon two factors: politics and issues. Not only are the governors leaders of their respective executive branches, but they also serve as heads of their political parties.

NGA leadership is provided by a chair, who serves as head of an executive committee. The vice chair and five members of the executive committee are always of the opposite political party of the chair. Each political party works through its caucus to select its choice for vice-chair of the NGA.

Governor Howard Dean of Vermont, a Democrat, is the current chair. He will be succeeded by the vice-chair, Gov. Tommy G. Thompson of Wisconsin, in the summer of 1995. Governor Julian Carroll of Kentucky served as Chair of the National Governors' Association in 1979.

Because Kentucky state interests cut across so many areas, Kentucky governors often have a place at the forefront of national debate on important federal-state relationship issues.

II.

Organization Name: **Southern Governors' Association**

Address: Hall of States
444 North Capitol Street, Suite 200
Washington, DC 20001

Key Contact: Elizabeth G. Schneider
Title: Executive Director
Telephone: 202-624-5897

Organization:

The Southeastern Governors' Conference was founded in 1934, primarily to provide a united front to combat "freight rate discrimination against the South." By the early 1970's, the conference had 19 members. At its 1978 annual meeting, the name was changed to the Southern Governors' Association.

The Southern Governors' Association has 19 members:

1. Alabama
2. Arkansas
3. Delaware
4. Florida
5. Georgia
6. Kentucky
7. Louisiana
8. Maryland
9. Mississippi
10. Missouri
11. North Carolina
12. Oklahoma
13. Puerto Rico
14. South Carolina
15. Tennessee
16. Texas
17. Virginia
18. Virgin Islands
19. West Virginia

Most of the official business is conducted during the Association's annual meeting. Usually the annual meeting includes reports from two regional compact

organizations, the Southern States Energy Board (SSEB) and the Southern Growth Policies Board (SGPB).

The purpose of the Southern Governors' Association is to provide a medium for the exchange of views and experiences on subjects of general importance to the people of the Southern states. Other missions of importance to the SGA are:

1. To foster interstate cooperation and regional development;
2. To attain greater efficiency in state administration; and
3. To facilitate and improve state-federal relationships.

Meetings:

The Southern Governors' Association has its annual meeting between late August and mid-October. The time and place are selected by the chair. The 1995 meeting will be held in Biloxi, Mississippi, September 17-19. Special meetings are held at the call of the chair or at the call of a majority of the membership. Kentucky governors Martha Layne Collins and Wallace G. Wilkinson served as chairs of the Southern Governors' Association.

Leadership Track:

The Southern Governors' Association has an executive committee, consisting of seven members, with the Association Chair as its chair. Other committee members are the First Vice Chair and Second Vice Chair of the Southern Governors' Association, the chair of the Southern Growth Policies Board, the chair of the Southern States Energy Board, and the chair of the Southern Regional Education Board; the SGA chair selects an additional member to bring the membership of the committee to seven. The 1995 Executive Committee is:

1. Kirk Fordice
Governor of Mississippi
Chair
2. Mel Carnahan
Governor of Missouri
First Vice Chair
3. George Allen
Governor of Virginia
Second Vice Chair
4. Brereton C. Jones
Governor of Kentucky
Chair, Southern States Energy Board

5. Lawton Chiles
Governor of Florida
Chair, Southern Regional Education Board
6. Don Sundquist
Governor of Tennessee
7. George W. Bush
Governor of Texas

Other activities of the SGA include the Southern Regional Emergency Management Assistance Compact, signed in August 1993, for provision of emergency services to member states in the event of a disaster; and the Central American/Southern States Trade Initiative, a commitment to expanded cultural and economic ties with the Caribbean Basin, effected in June, 1994. The SGA also provides two series of publications: *Washington Report*, a weekly, and sometimes more frequent, update and analysis of developments in Washington affecting member jurisdictions; and *SGA Brief*, which is published on an as-needed basis and provides detailed analysis of the issues of importance to the states.

III.

Organization Name: **Midwest Governors' Conference**
Address: 641 East Butterfield Road
Suite 401
Lombard, IL 60148

Key Contact: Ilene Grossman
Title: Assistant Director
Telephone: 708-810-0210

Organization:

The purpose of the Midwestern Governors' Conference is to establish a working relationship among the member states that will:

1. Foster regional development;
2. Attain greater efficiency in state administration;
3. Facilitate interstate cooperation and improve intergovernmental relationships;
4. Provide a medium for the exchange of views and experiences on subjects of general importance to the people of the midwestern states.

In pursuit of these objectives, the Midwestern Governors' Conference has established a wide array of committees, task forces, and study groups.

The subject areas addressed by these working groups have included agriculture, economic development, education, energy, fiscal affairs, health, human resources, labor, marketing strategies, rural development, technology, and transportation. The results of these efforts have ranged from written reports to specific recommendations, many of which have subsequently been addressed by the conference as a whole through policy statements and resolutions.

Membership:

The Midwestern Governors' Conference was officially organized in 1962. At first, it had eight member states. In 1965, it grew to its present size, when Kentucky officially became a member state. Although membership peaked two years later, when Oklahoma and West Virginia joined, both these states were also members of the Southern Governors' Conference and eventually dropped out of the Midwestern Governors' Conference. Today, the membership of the Midwestern Governors' Conference is:

1. Illinois
2. Indiana
3. Iowa
4. Kansas

5. Kentucky
6. Michigan
7. Minnesota
8. Missouri
9. Nebraska
10. North Dakota
11. Ohio
12. South Dakota
13. Wisconsin

Governor Edward T. Schafer of North Dakota assumed the chair in January 1995. Governor Jim Edgar of Illinois, the current vice-chair, will assume the chair in 1996. The 1995 meeting of the Midwestern Governors' Conference will be held in Bismarck, North Dakota, August 27-29. The 1996 meeting will be held in Illinois.

Kentucky has not been an active participant in the Midwestern Governors' Conference.

V.

Organization Name: Southern Regional Education Board

Address: 592 Tenth Street, NW
Atlanta, GA 30318-5790

Key Contact: Mark D. Musick

Title: President

Telephone: (404) 875-9211

Fax: (404) 872-1477

Organization:

The Southern Regional Education Board (SREB), created in 1948, is the operating agency of the nation's first interstate compact for education. SREB studies and reports on needs and problems affecting education, in addition to other activities, which include:

1. Offering consultation to states and institutions;
2. Fostering cooperative programs on the undergraduate, graduate, professional and technological levels;
3. Working with colleges and schools on specific quality improvement efforts; and
4. Serving as fiscal agent and administrator for interstate programs.

The Board has no authority over any state or institution and is not involved with institutional accreditation. The Governor of each state of the SREB is a member of the Board, and four gubernatorial appointees (one of whom must be a state legislator and one

an educator) serve terms of four years on the Board. Each state is represented on the SREB Executive Committee, which is empowered to act for the Board. The SREB Legislative Advisory Council, composed of at least two legislators from each member state, is a standing committee of the Board.

Program Relationship to Kentucky:

Kentucky Board members, whose terms expire June 30 of each specified year:

1. Governor Brereton C. Jones (ex officio)
2. Senator David K. Karem (1995)
3. Dr. Charles C. Wethington, President, University of Kentucky (1996)
4. Gary S. Cox, Executive Director, Council on Higher Education (1997)
5. Ed Ford (1998)

Senator David Karem serves on the Legislative Advisory Council by virtue of membership on the Board. Other Council members include Representative Joe Barrows and Speaker Jody Richards; Kentucky also has a Senate membership which is currently vacant.

Under the SREB contract program, residents of Kentucky study optometry and veterinary medicine at institutions outside Kentucky. For the 1994-95 academic year, 136 Kentucky residents studied veterinary medicine at Auburn University and Tuskegee University (in Alabama), and 38 Kentucky residents studied optometry at the University of Alabama-Birmingham, the Southern College of Optometry in Tennessee, and the University of Houston. (The contract with the University of Houston will lapse in 1995.)

The state of Arkansas has contracted with Kentucky's Regional Training Center (University of Louisville) for spaces in dentistry. The University of Louisville received \$32,400 for providing these services in the last year.

The 1995 annual meeting of the board will be held in Dallas, Texas, at the Adolphus Hotel, June 21-23. The 1996 annual meeting of the board will be held in Atlanta, Georgia, at the Occidental Grand Hotel, June 20-22. The 1996 meeting is a joint meeting of the board and the legislative work conference.

VI.

Organization Name: Southern States Energy Board
Address: 3091 Governors Lake Drive
Suite 400
Norcross, GA 30067

Key Contact: Kenneth Nemeth
Title: Executive Director
Telephone: 404-242-7712

Purpose:

The Southern States Energy Board (SSEB) provides policymaking support and technical expertise on energy and environmental quality matters to government, industry and the general public. SSEB represents its members before governmental agencies at all levels and maintains a continuing liaison with other regional and national organizations. The staff offices of SSEB are located in Norcross, Georgia, northeast of Atlanta. The board also maintains a Washington office.

Members include:

1. Alabama
2. Arkansas
3. Florida
4. Georgia
5. Kentucky
6. Louisiana
7. Maryland
8. Mississippi
9. Missouri
10. North Carolina
11. Oklahoma
12. South Carolina
13. Tennessee
14. Texas
15. Virginia
16. West Virginia
17. Puerto Rico
18. Virgin Islands

The chair of the Southern Governors' Association appoints a lead governor for energy, who serves as chair of the Southern States Energy Board. The board is composed of the governors, one House member and one Senate member from each state. (Exceptions are Missouri, which designates the chair of a joint committee on energy as its sole member, and Puerto Rico, which authorizes the governor to appoint one or more designees.) The chair of the Southern Legislative Conference Energy Committee and a federal representative appointed by the President are non-voting, ex-officio executive committee members. Industries may join the board and approximately thirty are current associate members.

The annual meeting of the Southern States Energy Board is usually held in conjunction with the annual Southern Governors' Association meeting, which is usually held in late summer. Committee meetings are held throughout the year.

Governor Brereton C. Jones is 1995 chair of the Southern States Energy Board. He and Representative Mark Brown constitute the current Kentucky membership of the

board; Kentucky also has a Senate membership position which is currently vacant. Bill Bowker, Executive Director of the Kentucky Coal Marketing and Export Council, is the governor's alternate. Governors John Y. Brown Jr. and Martha Layne Collins served as chairs of the SSEB. Kentucky has been an active participant throughout the establishment, growth and change of the SSEB.

VII.

Organization Name: Council of State Governments

Address: Iron Works Pike
P. O. Box 11910
Lexington, KY 40578-1910

Key Contact: Dan Sprague
Title: Executive Director
Telephone: 606-244-8000
Fax: 606-244-8001

Organization:

The Council of State Governments was founded in 1934 as a national, nonpartisan organization to assist and advance the institution of state government. The basic premise of the Council of State Governments is that the states are the true laboratories of democracy and are therefore the best source of insight, ideas, and innovation for meeting the day-to-day challenges of local and state issues.

The mission of the Council of State Governments is to provide state elected and appointed officials with information and decision-making strategies needed to develop and implement public policy. The Council enables state leaders to improve the performance and effectiveness of state government in the following ways:

1. Serving as a catalyst to express the views of the states on matters of major concern, including state-federal issues;
2. Acting as a coordinating agency to analyze legislation and programs of the federal government and to advance the role of the states in state-federal relations;
3. Working in concert with organizations of city and county officials and with federal agencies for improved and more effective mechanisms of intergovernmental cooperation;
4. Engaging in research on major issues and problems of state government and developing action programs for the internal strengthening of the states;

5. Studying techniques of state administration, in order to enhance governmental processes, and developing cooperative mechanisms for the improvement of administrative management;
6. Arranging and implementing conferences and providing other services requested by legislators, state officials, and commissions on interstate cooperation;
7. Promoting more effective regional cooperation, the development programs of mutual interest to adjacent states, and the solution of problems common in an area;
8. Engaging in programs for the training and development of state officials, legislators and staff aides through seminars and other appropriate methods;
9. Gathering, analyzing, and distributing information, including data on governmental policies and practices, suggested state legislation, new programs, and other items of interest to the states;
10. Serving as the central research and reference agency for affiliated organizations and for the legislative service agencies of the various states;
11. Acting as a catalyst for encouraging cooperation of states with subdivisions of foreign governments, with the assistance of the United States Department of State and other appropriate federal agencies.

The membership of the Council comprises the states of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the territory of the Virgin Islands, the Pacific trust territory, the government of the Northern Marianas Islands, and the Canadian province of Quebec. In addition, the following affiliate associations are under the Council's auspices:

National Association of Lieutenant Governors
 National Association of State Treasurers
 National Association of Secretaries of State
 National Association of State Boating Laws Administrators
 National Council of State EMS Training Coordinators
 National Emergency Management Association
 National Association of State Election Directors
 National Association of Government Labor Officials
 American Probation and Parole Association
 National Association of State Facilities Administrators
 National Association of State Telecommunications Directors
 State Information Policy Consortium
 National Association of State Personnel Executives

The annual meeting of the Council of State Governments, titled "1995 Annual Meeting and State Leadership Forum", will be held in San Juan, Puerto Rico, December 1 - 5, 1995.

Authority over the funds, property, and management of the Council of State Governments is held by a Governing Board. The Board is responsible for establishing policy positions of the Council at annual or special meetings, and the Executive Committee implements such policy for the Board during the interim between meetings. No action purporting to represent a policy position of the Council may be taken by any agency or body other than the Board.

The Governing Board is composed of the governor of each state, and two legislators from each state, one from each house, who serve until their successors are designated. (Nebraska, which has a unicameral legislature, has one legislative member.)

The Chair, Chair-Elect, and Vice-Chair of the Governing Board and of the Executive Committee are legislators; the President, President-Elect, and Vice President of the Governing Board of the Executive Committee are governors or statewide elected officials. To qualify for these offices, a person must be a member of the Governing Board at the time of election. Nominations are made by a Nominating Committee, appointed by the Chair, and composed of members of the Governing Board. Election of officers by the Governing Board occurs at each annual meeting. The six officers hold office only as long as they remain in the same or comparable state positions.

VIII.

Organization Name: **Appalachian Regional Commission**

Address: Office of the States
Washington Representative
1666 Connecticut Avenue, NW
Washington, DC 20235

Key Contact: Michael R. Wenger
Title: States' Washington Representative
Telephone: 202-884-7746

Organization:

The structure of the Appalachian Regional Commission (ARC) is designed to ensure the federal, state, and local cooperation needed to achieve ARC objectives.

The Commission has 14 members: the governors of the 13 Appalachian states, one of whom serves as co-chair, and a federal co-chair, who is appointed by the President and confirmed by the United States Senate. The governor co-chair is elected each year by the governors. The current federal co-chair is Dr. Jesse White; the 1994-1995 governor co-chair is Governor Brereton C. Jones of Kentucky.

Each governor appoints an alternate to oversee routine ARC business. To ensure a meaningful partnership, the federal co-chair has one vote on Commission matters, and the governors collectively have one vote.

The Commission members appoint an executive director to head the Commission staff. Staff members, paid jointly by the states and the federal government, serve the needs of both the administration, as represented by the federal co-chair, and the Appalachian governors, who are represented on a day-to-day basis at the Commission by the states' Washington representative, paid entirely with state funds.

The ARC program in Kentucky is administered through the Department for Local Government; the governor appoints an alternate to serve as designee on the ARC. A total of 49 eastern Kentucky counties are involved with this program. In the past two years Kentucky received a total of \$52,700,000 in federal direct aid through ARC. This money was allocated as follows:

	1994	1995
Highways	13,500,000	22,000,000
Area Development	4,416,000	4,416,000
Distressed Counties	3,677,000	3,677,000
Local Development Districts	507,000	507,000

A strategic planning conference is scheduled to be held in Lexington, Kentucky, on July 10-12, 1995.

Interstate Compacts

Interstate compacts are means for regional cooperation and influence. The Commonwealth of Kentucky maintains membership in several interstate compacts. These compacts, not unlike departments, boards, commissions and other instrumentalities of the Commonwealth, generally are subject to the administrative guidelines established for all state government agencies. Specific reporting procedures, membership clauses and points of responsibility are enumerated in the authorizing statutes.

A full survey of interstate compacts was assembled by William Kevin Voit of the Council of State Governments. Much of the following information is from this CSG report.

The following is a brief synopsis of those compacts and their functions. The name and Kentucky statute authorizing the compact are listed first, followed by the purpose of the compact and the state officer, agency or board through which the affairs of the compact are managed, and any Congressional action authorizing the compact. The other members of the compact are listed, where such a list is of particular use or not of exhaustive length. Those in *italics* are dormant, defunct, or otherwise inactive.

Agreement on Detainers (KRS 440.150, 440.450 - 440.510)

Facilitates expeditious and orderly disposition of charges pending against a prisoner. Helps determine the proper status of any detainees based on untried indictments, information, and complaints. Nationwide eligibility, federal participation is specified.

General Counsel, Department of Corrections, Justice Cabinet

Agreement on Qualification of Educational Personnel (KRS 161.124)

Facilitates movement among the states of teachers and other professional educational personnel, and establishes procedures for the employment without reference to the state of origin. Eligibility is nationwide in scope.

Commissioner of Education

Breaks Interstate Park Compact (KRS 148.022, 148.220 - 148.235)

Establishes commission to administer and operate the park.

Breaks Interstate Park Commission

Members are Kentucky and Virginia

Central Midwest Interstate Low-Level Radioactive Waste Compact (KRS 211.859)

Establishes a host state, siting authority, licensing authority, developer/operator, and commission for the siting of low-level radioactive waste. These components consist of federal, state, and private sector participants. The compact covers waste items which contain small amounts of radioactivity generated by nuclear power plants, hospitals, industry and research facilities, among others. Illinois is the host state for this compact.

Central Midwest Compact Commission

Members are Kentucky and Illinois.

Public Law 99-240, Title II, Jan. 15 1986, 99 Stat. 1859

Compact for Education (KRS 156.710 - 156.720)

Establishes a commission to serve as an information center on educational matters and to provide a forum for the development of educational policy. Compact eligibility is nationwide in scope.

Education Commission of the States

Falls of the Ohio Interstate Park Compact (KRS 148.241 - 148.242)

The compact was to provide for the joint operation of the Falls of the Ohio Interstate Park by Kentucky and Indiana. Indiana repealed the compact in 1990.

Falls of the Ohio Interstate Park Commission

Compact members were Kentucky and Indiana.

Interstate Compact on Parole and Probation (KRS 439.560)

Provides for mutual assistance in crime prevention by creating cooperative procedures whereby protection of the community stems from rehabilitation of offenders. In addition to a basic compact, it appears that a number of jurisdictions may have enacted amendments or acts, including permitting out-of-state incarceration.

Interstate Compact Administrator - Probation and Parole Division, Department of Corrections, Justice Cabinet

48 Stat. 909

Interstate Compact on Air Pollution (KRS 224.18-200 - 224.18-220)

Would establish an interstate agency to control the interstate movement of air pollution.

Interstate Air Pollution Control Commission

This compact appears in no other states' statutes.

Interstate Compact on Juveniles (KRS 615.010)

Establishes cooperative procedures for out-of-state supervision of juveniles and provides procedures for their return. Compact eligibility is nationwide in scope. In addition to the basic compact, a substantial number of jurisdictions have also enacted optional supplemental amendments dealing with runaways, rendition, and out-of-state confinement.

Deputy Compact Administrator, ICJ, Department of Social Services, Cabinet for Human Resources

48 Stat. 909

Interstate Compact on Mental Health (KRS 210.520 - 210.550)

Provides for the care and treatment of mentally retarded persons regardless of residence requirements, and authorizes supplementary agreements for joint or cooperative use of mental health resources. Compact eligibility is on a nationwide basis.

Pharmacist Services Program Manager, Division of Mental Health, Department of Mental Health and Mental Retardation

Interstate Compact on Placement of Children (KRS 615.030)

A legal and administrative means to permit child placement activities to be pursued throughout the country in much the same way, and with the same safeguards and services, as if they were being conducted in a single state. The compact requires notice and proof of the suitability of a placement before it is made; allocates specific legal and administrative responsibilities during the continuance of an interstate placement; provides a basis for enforcement of rights; and authorizes joint actions in all party states to improve operations and services. All U.S. jurisdictions and Canadian provinces are eligible.

Interstate Coordinator, ICPC, Department of Social Services, Cabinet for Human Resources

Interstate Corrections Compact (KRS 196.610)

Enables administrative and judicial officers to enter into contracts and agreements for cooperative care, treatment, and rehabilitation of offenders sentenced to or confined in prisons and other correctional institutions. Compact eligibility is nationwide in scope.

Commissioner, Department of Corrections, Justice Cabinet
48 Stat. 909

Interstate Emergency Management and Disaster Compact (KRS 39.450 - 39.460)

Provides for mutual aid among the states in meeting any disaster or emergency.
Executive Director, Disaster and Emergency Services, Military Affairs Department

Interstate Environmental Compact (KRS 224.18-100 - 224.18-110)

Would provide for environmental cooperation among the states.

Appears in the statutes of Arkansas, Florida, Georgia, Louisiana, Maryland, Mississippi, and North Carolina, in addition to Kentucky.

State agency or officer unspecified

Interstate Mining Compact (KRS 350.300 - 350.990)

Establishes a commission to promote sound conservation practices, adopt standards for restoration of mined land, and develop mineral and other natural resources.

Interstate Mining Compact Commission

Members are Kentucky, Alabama, Illinois, Indiana, Louisiana, Maryland, Missouri, New Mexico, North Carolina, Ohio, Oklahoma, Pennsylvania, South Carolina, Tennessee, Texas, Virginia, West Virginia, and Wyoming.

Nonresident Violators Compact (KRS 186.860)

Assures nonresident motorists receiving citations for minor traffic violations in a party state the same treatment that would be accorded to resident motorists. Procedures under the compact are reasonable and provide due process protection, but they also make it difficult for the person who violates the law to escape the consequences.

Driver License Division, Vehicle Regulation Department, Transportation Cabinet

Members include Kentucky, Arizona, Arkansas, Colorado, Florida, Hawaii, Idaho, Illinois, Iowa, Kansas, Louisiana, Maine, Maryland, Mississippi, Missouri, Nebraska, New Jersey, New Mexico, New York, Ohio, Oklahoma, South Dakota, Texas, Utah, Vermont, and Washington.

Federal Highway Safety Act of 1958 (72 Stat. 635)

Ohio River Valley Water Sanitation Compact (KRS 224.18-760)

Establishes a commission for the purpose of maintaining waters in the river basin in a satisfactory condition, available for use as a public and industrial water supply after reasonable treatment, suitable for recreational use, and capable of maintaining healthy aquatic communities, with the guiding principle being that pollution from one state shall not injuriously affect the various uses of the interstate waters.

Ohio River Valley Water Sanitation Commission

Members include Kentucky, Illinois, Indiana, New York, Ohio, Pennsylvania, Virginia, and West Virginia.

Public Law 76-739 (1940)

Southeastern Interstate Forest Fire Protection Compact (KRS 149.310 - 149.325)

Provides mutual aid in forest fire prevention and control among states in the southeastern area, and with party states of other regional forest fire prevention compacts.

Southeastern States Forest Fire Protection Commission

Members include Kentucky, Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, and West Virginia.

68 Stat. 563 (1954)

Southern Growth Policies Agreement (KRS 147.580 - 147.585)

Establishes a board that is charged with creating strategies for economic development that recognize the diverse, interrelated factors that affect the South's economic base. The compact permits gubernatorial ratification pending legislative action.

Southern Growth Policies Board

Members include Kentucky, Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, Oklahoma, Puerto Rico, South Carolina, Tennessee, and Virginia.

Southern Interstate Nuclear Compact (KRS 152.200 - 152.250)

Establishes Southern Interstate Nuclear Board to facilitate cooperation among the southern states concerning nuclear energy.

Southern Interstate Nuclear Board

Members include Kentucky, Alabama, Arkansas, Florida, Georgia, Louisiana, Maryland, Mississippi, Missouri, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia.

76 Stat. 249

Southern Regional Education Compact (KRS 164.530 - 164.540)

Establishes a board to foster development and joint use of higher education facilities throughout the region, to generally advance elementary, secondary, and higher education and improve the social and economic life of the South.

Southern Regional Education Board

Members include Kentucky, Alabama, Arkansas, Florida, Georgia, Louisiana, Maryland, Mississippi, Oklahoma, Tennessee, Texas, Virginia, and West Virginia.

Southern States Energy Compact (KRS 152.200 - 152.250)

Administered by the Southern States Energy Board (which was created by amendments to the compact that created the Southern Interstate Nuclear Board); the major purpose of the organization is to provide for regional cooperation in the proper utilization of energy and environmental resources in the southern states.

Southern States Energy Board

Members include Kentucky, Alabama, Arkansas, Florida, Georgia, Louisiana, Maryland, Mississippi, Missouri, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia (Delaware, Puerto Rico, and the U. S. Virgin Islands also ratified membership).

76 Stat. 249 (1962)

Interstate Compacts on Subsidized Adoptions - KRS 199.595 - 199.5955 (1986)

Authorizes the Cabinet for Human Resources to enter interstate compacts or agreements with other states for the protection of children on behalf of whom adoption assistance is being provided.

Deputy Compact Administrator, ICPC, Department of Social Services in the Cabinet for Human Resources

Tennessee River Basin Water Pollution Control Compact (KRS 224.18-780)

Would promote effective control and reduction of pollution in the waters of the Tennessee River basin.

Tennessee River Basin Water Pollution Control Commission

Only Kentucky and Mississippi enacted this compact in their statutes.

Tennessee-Tombigbee Waterway Development Compact (KRS 182.300)

Establishes an authority to foster and develop navigable waterways connecting the Tennessee and Tombigbee Rivers.

Tennessee-Tombigbee Waterway Development Authority

Members include Kentucky, Alabama, Mississippi, and Tennessee.

72 Stat. 609 (1958)

In addition to these compacts, there are certain provisions that allow other compacts to be entered into:

Gasoline Excise Tax - KRS 138.227 (1992)

Authorizes Transportation Cabinet to enter into cooperative compacts or agreements.

Interstate Library Compact (KRS 171.221)

Authorizes state, local, and private libraries to enter into agreements for provision of services and utilization of facilities on an interstate basis, including the creation of joint library districts. Compact eligibility is nationwide in scope.

Department for Libraries and Archives

Interstate Compacts on Solid Waste Management - KRS 224.18-900 (1991)

Authorizes the governor to negotiate and enter into compacts with other states.

Interstate Transit Authorities - KRS 96A.210 (1970)

Authorizes cities and counties on the state line to form a transit authority with political subdivisions in other states.

Interstate Water Sanitation Board, Control Commissions - KRS 224.18-710 - 224.18-715 (1940)

Authorizes the three-member board consisting of the governor, the secretary of the Natural Resources and Environmental Protection Cabinet, and one gubernatorial appointee to serve as representatives to any interstate water sanitation or control compacts to which Kentucky is a party.

CHAPTER II

THE OFFICE OF GOVERNOR

The Executive Office of the Governor includes: (1) the Governor's Office, (2) the Office of the Secretary of the Cabinet (KRS 11.040); (3) the Governor's Office for Policy and Management (KRS 11.068); (4) the Governor's Office for Program Administration (KRS 11.068); (5) the State Planning Committee and State Planning Fund (KRS 147.070-147.120); (6) the Governor's Executive Cabinet (KRS 11.065); (7) the Governor's General Cabinet (KRS 11.060); and (8) the Governor's Financial Policy Council (KRS 147B.100).

The Office includes the Chief of Staff, administrative assistants, General Counsel, Press Secretary, legislative and public liaisons, and support staff. Its principal responsibilities are policy development and leadership, including ombudsman activities and ceremonial functions, as well as policy formulation. According to the 1994-1996 Executive Budget, the Governor, as chief administrator, ensures that state government provides needed services to the state's citizens at minimum cost to the taxpayers. Attached to the Governor's Office are :

- Governor's Office for a Drug-Free Kentucky (Executive Order 90-518)
- Governor's Higher Education Nominating Committee (KRS Chapter 164)
- Executive Branch Ethics Commission (KRS Chapter 11A)
- Kentucky Agriculture Resources Development Authority (KRS 11.170)

The following five administrative bodies are attached to the Office of the Governor under KRS 12.023: Council on Higher Education, Department of Military Affairs, Department of Local Government, Kentucky Commission on Human Rights, and the Kentucky Commission on Women.

For information on the functions of the components of the Governor's Office, as well as descriptions of the Constitutional offices and the cabinets, departments, boards, and commissions of the Executive Branch, the reader is directed to *The Executive Branch of Kentucky State Government*, Informational Bulletin No. 171, Legislative Research Commission, Frankfort, Kentucky.

Managing the Office of Governor

The operation of the Governor's Office sends strong signals about the Governor to everyone who contacts it - state agencies, legislators, the media, the public. It is to the Governor's personal and professional benefit to provide the leadership in organizing the office and appointing competent people. The routine demands of the position of Governor can so consume a person that the opportunities to provide leadership and vision

for the state can be lost. Consequently, the office structure and personnel should be carefully considered and be one of the first items addressed during transition.

The publications of the National Governors' Association provide several options for structuring the Governor's office. The decision should be based on the Governor's management style. If there is one structure on paper and another in practice, there will inevitably be frustration and misunderstandings, which result in inefficiency. Top staff need ready access to the Governor. A critical early decision is the number of people the Governor chooses to report to him or her directly. The structure to manage the workload can then be developed.

Recent administrations in Kentucky have alternated between a chief of staff structure and two executive assistants, one for internal affairs and one for external affairs. Governors Carroll, Collins, and Jones had two executive assistants. Governors Brown and Wilkinson had chiefs of staff. In both arrangements, the general counsel and press secretary need direct contact with the Governor. The scheduling office and the Governor's personal secretary work closely with the Governor by necessity. Controlling access to the Governor is a difficult and delicate task, but the demands for any Governor's time are so great that control is necessary. Consequently, the Governor's decisions regarding the placement and responsibilities of staff are critical to an efficient office.

Planning, staff training and technology are the tools for an effective office. Assessing the workload is the first step in planning. The functions are described in the following paragraphs.

1. The functions of Constituent Services include the referral to staff of all incoming mail; reviewing and proofing all outgoing mail; responding to requests for proclamations, donations, flags, promotional items for Kentucky, endorsements, and Kentucky Colonelcies; and maintaining a central filing system. A daily log of the mail received, its nature and to whom referred for action will be a valuable management tool. All mail except that marked personal is opened and entered on the log, which is daily provided the Governor and top staff. A central place for reviewing and proofing outgoing correspondence provides greater assurance of consistent quality. Recent administrations indicate the mail contains several hundred pieces per day. It will be heaviest at the beginning of the administration and during legislative sessions.
2. Scheduling requests are made through the mail, by phone, in person and through staff. Accuracy, diplomacy, resourcefulness, and energy are traits needed in the scheduling office. Flexibility and a sense of humor also help. In many instances a representative of the Governor can fill the request. Sometimes a letter from the Governor to be read at an event will suffice. Many simply have to be regretted, and the others are to be scheduled as directed by the Governor. Accessibility to the Governor and to those who can commit for the Governor is critical for the scheduling office.

Arrangements for advancing an event are usually made by the scheduling office, since it will have all the pertinent data. Likewise, it can provide the data for follow-up notes. It is necessary to make decisions regarding format of the notes and who will compose them.

Additional issues regarding scheduling are:

- Who, in addition to the Governor, reviews the scheduling requests?
- What decisions on scheduling can be made and by whom other than the Governor?
- Who decides on the person to represent the Governor at an event?
- What information does the Governor want about a request in order to make a decision?
- What will be the time frame for responding to a request?
- Under what circumstances will staff be provided with transportation when representing the Governor?
- Who accompanies the Governor? Who decides? When the family accompanies the Governor, what arrangements are required?
- How is the official schedule coordinated with the family schedule and mansion events?
- What time frames and information are required by the State Police for providing security?

The scheduling office needs such information to function effectively. Scheduling during a campaign gives the Governor-elect experience on which to base these decisions, but it should be kept in mind that when he or she is Governor, the scheduling staff will be dealing with every day of his or her life for four years. Basic decisions on the scheduling procedure will make life easier for all concerned.

3. The Office of General Counsel reviews all legal documents presented for the Governor's signature, prepares documents for the Governor to issue, and advises the Governor on legal rights and responsibilities. In the early months of an administration the Office of General Counsel is extremely busy, due to the number of executive orders required for appointments and the session of the General Assembly. Appendices 3, 4 and 5 list the appointments to be made and the documents to be signed by the Governor. Preparing or reviewing each of these is the responsibility of the General Counsel. In anticipation of this volume, a new administration is advised to provide initially for assistance to the General Counsel. The assistance can be obtained by temporary assignment of counsel from state agencies or hiring counsel on temporary status. The workload after the legislative session will not likely require the additional counsel.

4. The Press Office provides information on events and policies to the media, responds to inquiries from the media, responds to requests for interviews, sets up press conferences, maintains a newsclipping service, directs the speech writing, works with press officers of state agencies and other constitutional offices to coordinate announcements as appropriate, provides or arranges for follow-up information on an announcement, and works with all media, daily and weekly newspapers, national and trade publications, television and radio. The Press Secretary will often travel with the Governor.
5. The position of Legislative Liaison is an important key to the Governor's relationship with the General Assembly. Credibility is a necessity, in that the Legislative Liaison speaks and acts for the Governor, in that the liaison's word is accurate and can be held in trust. The person in this position needs a knowledge of state government and a working understanding of the legislative process.

In addition to working with legislators, this office works with state agencies on proposed or pending legislation which relates to programs under their management. Other interests will also approach the Governor's Office for support in a legislative matter and the legislative liaison will be involved with these requests.

The legislative sessions can be monitored in offices of the Governor through the KET closed circuit television coverage. Tracking the bills through the process can be done by following the *Legislative Record*, and the electronic bill status system available through LRC. Keeping the administration informed of the status of the 1,400 bills and resolutions which are introduced during a session, along with amendments and committee meetings, will require the efforts of several people. These people are usually from state agencies and are familiar with programs and the legislative process. It is important that all have credibility and work under the direction of the Legislative Liaison.

The Governor will receive considerable correspondence related to legislation. A part of the workload of the Legislative Liaison Office will be to respond to this correspondence.

The General Assembly will convene four weeks after inauguration. Legislative packages from state agencies will have been forwarded to the Legislative Research Commission prior to election day. The administration will need to act quickly to have its legislative office operating effectively on behalf of the Governor.

The Legislative Liaison also works with the scheduling office to arrange for legislators to see the Governor, to arrange ceremonial bill signings, to notify

a legislator when the Governor will be visiting his or her district or making an announcement which has a direct effect in the district. During a session, a Governor may have a very flexible scheduling arrangement for legislators, in order to be as available as possible.

6. A part of the Governor's agenda will be special events, such as the Governor's Derby Breakfast, the Bluegrass State Games, and the Arts Festival. It will be desirable for someone in the Governor's Office either to coordinate the preparations for such events or be the Governor's contact if coordination is done elsewhere. The time and talent required for this role varies so widely, due to the Governor's preferences, that it is mentioned here only as a point to be considered.
7. Intergovernmental Relations will involve national, regional, and local issues. This liaison will keep the Governor advised of issues and situations outside the state and within the state which affect state government. This person will be the Governor's contact with the Kentucky Congressional delegation, the Kentucky Washington Office, the National Governors' Association, and all associations to which the Governor belongs. Roles of the Governor under the interstate compacts will also be addressed here.
8. Agency liaisons in the Governor's Office serve as facilitators for the flow of information to, from and about state agencies and the Office. Many people contact the Governor's Office with questions, problems or complaints concerning state programs. The agency liaisons meet with people and respond to correspondence. These staff are knowledgeable about policies and programs in the cabinets. In the past, the cabinets were grouped into three or four areas and staffed accordingly. The use of agency liaisons varies by administration, according to the management style of the Governor.
9. As indicated in Appendix 4, a Governor will make well over 2,000 appointments to boards and commissions during a four-year period. A number of these appointments require certain qualifications; some appointments are made from a list of three submitted by an association or official; some appointments require confirmation by one or both houses of the General Assembly. Individuals who seek appointments and those who make recommendations concerning appointments will be contacting the Governor's Office. The staff person who directs the process for handling appointments to boards and commissions needs access to the Governor. The process includes keeping track of appointments due, compiling recommendations, providing choices for the Governor, confirming availability to serve, checking backgrounds of potential appointees, briefing the Governor, notifying appointees, notifying an incumbent board member who is being replaced and thanking him or her for service, notifying the chair of a board or commission and any other appropriate person, and

notifying media. The person who directs this process is traditionally in a top staff position.

10. The first impression many callers get of a Governor is created by the switchboard operators in the Governor's Office. Every operator needs to know the personnel and functions in the Governor's Office. Many people call without knowing whom to request, so they relate their problems to the operator. Courtesy and efficient handling of such calls provide a positive image of the Governor. The switchboard will receive between 400 and 600 calls per day. The hours for the operation of the switchboard may be extended beyond the regular office hours to accommodate the Governor's schedule or preference. Staggering work hours for the operators can be helpful.
11. Administrative tasks in the Governor's Office include the following:
 - a. Assigning offices and parking spaces for staff.
 - b. Developing a plan for notifying state government employees in Frankfort of change in workhours in case of severe weather.
 - c. Notifying state agencies of holidays (KRS 18A.190), days of mourning (KRS 2.200), time off for voting (KRS 118.035), presidential election day (KRS 2.190), and which days additional to December 25 and January 1 are declared holidays (KRS 118.035). Whether or not Inauguration Day is a holiday for state employees is a decision made in the Governor's Office.
 - d. Approving telephone credit cards for staff as appropriate for their duties.
 - e. Deciding on official stationery, business cards, forms for executive orders, proclamations, and Kentucky Colonelcies; office supplies; pens for ceremonial signings and any other official item of the Office of Governor. Designating assistant to handle supplies and control access to them.
 - f. Arranging for signature cards for persons authorized to sign documents.
 - g. Developing with the State Police the security arrangements for the office and informing staff as appropriate. Arranging for staff photos for security identification.
 - h. Having inventory done of all furnishings and equipment throughout the Governor's Office and the Mansion.
 - i. In cooperation with the Office of Historic Properties, approving any changes in the furnishings or arrangement of the offices and the Mansion.
 - j. Maintaining control over keys to offices and limiting access to offices after hours.
 - k. Reviewing, monitoring and screening staff paperwork on a continuing basis.

- l. Establishing a process for tracking all documents which come to the Governor's Office for action, their review and disposition.
 - m. Reviewing on a continuing basis all documents presented for the Governor to sign.
 - n. Establishing office policies and providing them in writing to staff, with a list of staff and office phone numbers. The policies should address the following:
 - (1) Office hours and procedure to obtain approval for compensatory time, vacations, and business travel;
 - (2) Purchasing for the Office;
 - (3) Telephone calls on behalf of the Governor's Office, with the consideration of the impact such calls have for individuals and state agencies;
 - (4) The use of a state vehicle;
 - (5) Guidelines and formats for Constituent Services to use in reviewing correspondence;
 - (6) The Governor's reading file;
 - (7) Staff access to the Governor;
 - (8) Scheduling;
 - (9) Media relations;
 - (10) Legislative relations;
 - (11) Referrals of requests;
 - (12) Staff assignments;
 - (13) Staff fund for flowers, gifts, etc.;
 - (14) Coffee availability and responsibility for preparing;
 - (15) Availability of tickets to events for staff.
 - o. Planning inter-office communications, and devising ways of developing and promoting a cohesive staff effort. It is important for staff to be informed and involved, however difficult this may be, due to the pace and volume of the Office. An informed staff is more efficient.
 - p. Arranging swearing-in ceremonies for the Governor's Executive Cabinet.
 - q. Appointing a Records Officer to work with the Public Records Division of the Department for Libraries and Archives.
 - r. Assuring that the Mansion staff is organized to assist the Governor and spouse with a smooth transition. Making decisions on handling mansion mail, phone calls, visitors and scheduling.
12. The Office of the Secretary of the Cabinet is closely meshed with the Office of the Governor. The staffing and work arrangements between the offices will be determined by the Governor.

Technology

After reviewing the operation of the office and determining the management style, the next step toward efficiency is to apply the best technology to the operation.

Communication within and from the Governor's Office is so critical to its success that the best possible equipment should be utilized. Networking equipment, electronic mail within the Office and to the cabinets, and laptop portables for out-of-office travel and meetings will offer valuable assistance. Technology is advancing at such a pace that the office continually needs expert guidance on the most productive systems for its operation.

Staff Training

Staff training is vital to efficiency and yet may be overlooked in the rush to take care of business. Other than the training necessary to operate office equipment, training for all staff should include an orientation session on office policies, state personnel policies, the Governor's programs, and guidelines on ethics. Early attention to these details will be beneficial to everyone and help prevent misunderstandings.

Records

Managing the records of the Governor's Office requires planning. The Department for Libraries and Archives has the statutory responsibility for overseeing records management in state government. Its personnel are available to assist an administration in setting up its central files to comply with the statutory requirements. This assistance also serves to ensure that the records will be properly maintained throughout the administration and facilitates their disposition at the end of the term. Furthermore, the State Archives and Records administrator will advise the Governor's Office in the determination of official records, open records, and public records. There is a records retention schedule for the Governor's Office. It can be amended as necessary, in cooperation with the staff of the Department for Libraries and Archives. A staff member designated the Records Officer in the Governor's Office serves as the contact with the Public Records Division. Training is provided by the division.

Space

The Governor's Office occupies space on the First Floor and Basement Level of the Capitol. The diagrams on the following page identify that space.

GOPM and the Executive Branch Ethics Commission are located on the second floor of the Capitol Annex. The Governor's Office for a Drug-Free Kentucky and Champions Against Drugs programs are located at 90 Airport Road.

The offices are maintained by the Department for Facilities Management in the Finance and Administration Cabinet. The Building Superintendent for the Capitol is located in Room 2 of the Capitol Basement. The Office of Historic Properties assists the Governor's Office in the furnishing and arrangements of the offices and the Mansion.

Security is provided for the Capitol and for the Governor by the Kentucky State Police.

The Governor's Office works closely with the Finance and Administration Cabinet. As questions on operations arise, the answers can usually be found by contacting Finance and Administration.

Budget

The state budget provides for an appropriation of \$11,414,800 to the Executive Office of the Governor for fiscal year 1995-96, which includes the Governor's Office for Policy Management and the State Planning Fund.

Line of Gubernatorial Succession and Gubernatorial Disability

The line of succession to the governorship is detailed in the Kentucky Constitution (Sections 84, 85, and 87) as flowing linearly through the Lieutenant Governor, the President of the Senate, the Attorney General, and the Auditor of Public Accounts. Passing the mantle of leadership is a de jure action that occurs when the chief executive is impeached and removed from office, dies, fails to qualify, resigns, or is unable to discharge the duties of the office.

A 1992 amendment to Section 84 specifically provides for the succession of the Lieutenant Governor to perform the Governor's duties when either the Governor certifies in a Journal that he or she is unable to discharge the duties of the office or the Supreme Court unanimously declares that the Governor is disabled. If the Supreme Court declares the Governor to be disabled, then the Court must also find that the disability has ended before the Governor may again resume the duties of the office. Prior to this amendment, the Lieutenant Governor assumed the powers of the Governor whenever the Governor was absent from the state.

CHAPTER III

THE RESOURCES

The position of Governor is unique in its influence and responsibilities. Knowing and utilizing available resources will allow the Governor to use time and energy effectively, in order to make the most of his or her term of office. This chapter explores some of those resources.

The Governor's Team

John Gardner stresses the importance of an executive team in *On Leadership*: "No individual has all the skills and certainly not the time to carry out all the complex tasks of contemporary leadership. And the team must be chosen for excellence in performance."⁴

A critical first task of the Governor is to choose an executive team, top office staff and cabinet secretaries. Frequently, transition publications advise the Governor-elect to choose different people to administer government than to campaign for office. The rationale is that different qualities are needed for the two functions and that good campaigners are not necessarily good administrators. A study of the 1982-83 gubernatorial transitions by Robert P. Huefner and Michael L. Nash raises questions about the soundness of this advice, however.⁵ The authors indicate that the new Governor's appointed people from the campaign and transition staffs, as well as persons from prior administrations and persons outside government. The Governor's opportunities for leadership, they maintain, are greater in the position of a broker of power sources than as a Commander-in-Chief. Since power is dispersed in a democracy, and bureaucracy is inherently slow to change, exerting influence with a number of different power sources enhances the Governor's ability to cause change. An executive team which includes those familiar with the campaign and its issues, experienced public administrators, and people with experience outside state government combines their strengths. Others simply suggest that caution should be used in placing campaign workers in government positions (See Herzik and Brown, 1991).⁶ Reaching outside political factions and political parties is advisable. The qualities for team members are the classic ones: intelligence, diligence, loyalty, sharing of goals, integrity, a sense of purpose, and energy. A primary consideration in appointing and in serving is the ability of the individuals to work as a team with and for the Governor. Background checks of the potential appointees are highly recommended. Such a check may include a credit check. The people around the Governor are a reflection of the Governor and will be scrutinized carefully by the media. It is in the Governor's best interest to have no surprises in the backgrounds of the executive team. Those who work closely with the Governor should be a source of strength.

State Government

State agencies provide many resources for the Governor. The Governor's Office for Policy and Management (GOPM) has a professional staff which can provide a wealth of information to a new administration. In addition to the Executive Budget, GOPM provides briefing information on virtually any policy issue in state government.

A great amount of information about programs, needs, and planning is generated by state government. The Department for Libraries and Archives quarterly publishes a listing of documents and reports which state agencies prepare. Many agencies have research and planning departments, which provide valuable information, and the Governor's Office should be aware of their works. The Long-Term Policy Research Center publishes a quarterly newsletter called *Foresight*, which includes brief discussions of emerging issues. The Center periodically releases major research projects.

The Legislative Research Commission regularly issues research memoranda and reports which contain substantive information. A listing of current reports is available upon request to the Director of the Legislative Research Commission.

The interim committees of the Legislative Research Commission are sources of information on key issues to be addressed at the next session of the General Assembly. Special topics under study by legislative committees during the 1994-95 interim are poverty, domestic violence, and lead hazard abatement. A report of the activities of all the interim committees is available prior to the session.

The 1990 General Assembly established a Capital Planning Advisory Board, composed of members from all branches of government. It meets regularly and develops a six-year plan for capital expenditures.

Prior to a session, the Legislative Research Commission publishes a report entitled *Issues Confronting the General Assembly*, which will be helpful to a new administration. The Legislative Research Commission monthly publishes the *Interim Record*, which contains the minutes of the committee meetings and summaries of pre-filed bills. During a session, *The Legislative Record* is published daily and tracks legislative activity.

A book of brief biographical sketches of the legislators, a handbook on legislative procedure, and the Rules of the Senate and the House are available from the Legislative Research Commission.

Information Technology in State Government

The rate of change in computer technology, its increased adoption by public agencies, and its potential uses have led to an awareness that information is a state resource that must be managed. The management of information resources includes coordinating the implementation of technology, planning system development, integrating dissimilar technologies and systems, sharing data, and insuring the privacy of

personal information. The 1984 General Assembly established the Kentucky Information Systems Commission (KISC), composed of members representing state government, universities and the private sector. The 1986 General Assembly passed legislation requiring KISC to review proposals and develop plans for all information systems.

1994 legislation changed KISC to the Kentucky Information Resources Management (KIRM) Commission, amended its purview to include only the Executive branch, and expanded its charge to the formulation of a 5-year statewide plan, the coordination of training and education, the establishment of a research and development facility, and the maintenance of a clearinghouse for information technology. To accomplish its work, KIRM has standing committees studying information policy, imaging, grants, electronic commerce, procurement and security. All Executive branch agencies, all public universities, and the community college system submit biennial plans to the Commission. The Commission will not approve proposals without a cabinet-level plan in place which provides the context for the proposal, or if the proposal does not support strategic planning initiatives. The Commission is required to report its findings to the Governor and the LRC semi-annually. Capital planning for the statewide plan is incorporated in the six-year statewide capital improvement plan developed by the Capital Planning Advisory Board.

Two panels, the Communications Advisory Council (CAC), created by 1990 legislation, and the Geographic Information Advisory Council, created by 1994 legislation, assist the KIRM Commission in the development and implementation of the 5-year plan. CAC, composed of representatives of state agencies utilizing telecommunications, public utilities, local government and the public, reviews agency telecommunications proposals. Their work has led to the endorsement by the governor of the construction of a statewide communications network supporting voice, data, and video communications, available to state and local government, law enforcement, universities, and public school systems. Contract letting for construction of the local connections to this network will be an issue for the 1996 General Assembly. The Geographic Information Advisory Council, composed of agency users of automated mapping systems, the engineering, geology, and planning professions, and local government, review agency initiatives relating to GIS (Geographic Information System) development and formulate policies for its implementation. This technology has enormous potential for any area of state government where decisions require that information be related geographically: economic development, environmental protection, resource conservation, demographics, property taxation, transportation, public health, and education. Funding for GIS will be an issue for the 1996 General Assembly.

Kentucky Offices

Kentucky has offices in Washington, D.C.; Brussels, Belgium; and Tokyo, Japan. The Brussels and Tokyo Offices are primarily for economic development efforts, under the direction of the Secretary for Economic Development. They greatly assist the Governor in international matters. The Washington, D.C., Office serves the Governor by

working with the Kentucky Congressional delegation and with the associations based in the Washington area on which the Governor serves, including the National Governors' Association, Southern Governors' Association, and the Appalachian Regional Commission.

Kentucky Congressional Delegation

The Kentucky Congressional delegation is also a valuable resource for the Governor. It is important for the Governor to be accessible to and establish a personal rapport with each member of the Kentucky Congressional delegation. Federal policies and funds have a great impact on Kentucky, and it is to the state's advantage for officials on the local, state and national levels to interact effectively. Keeping in touch is important, and this can be facilitated by the Governor's staff having regular contact with the Congressional staff. The Kentucky Washington Office can be valuable in providing information on activities in Congress, and the appropriate contacts on issues, in making appointments for state officials, and in attending Washington briefings and meetings on behalf of the administration.

Appendix 7 contains a list of the current Kentucky Congressional delegation, their committee assignments, key staff and office addresses. This information is taken from the Congressional Yellow Book and has been updated by telephone contact with the offices.

Organizations

All of the associations listed in Chapter One have professional staff who can provide information on many topics. National and regional organizations can be valuable for a Governor. The National Governors' Association (NGA) provides transition assistance upon request. The professional staff are knowledgeable regarding issues and the variety of structures for administrations. The NGA periodically sponsors a New Governors' Seminar. The staff is available for individual help to Governors elected in 1995 -- only Kentucky, Louisiana and Mississippi have gubernatorial elections in 1995. Information on specific services of NGA can be obtained from its executive director, Ray Sheppach (202-624-5300).

The Council of State Governments (CSG) is headquartered in Lexington, and it has offices in Atlanta, Washington, D.C., New York, Chicago, and San Francisco. The CSG has several organizations under its umbrella, and these are enumerated in Chapter One. The executive director is Dan Sprague (606-252-2291).

Kentucky has long been supportive of CSG. In 1967, Kentucky provided the building for its headquarters, at a cost of \$1.2 million. The Executive Committee of CSG reaffirmed its decision to be headquartered in Kentucky in 1986, when it voted to remain here rather than move to Indianapolis or the Washington, D.C., area. A working relationship between CSG and the University of Kentucky and state government was also reaffirmed. The 1990 General Assembly authorized five million dollars for up to 50,000 square feet of additional space for CSG. Construction expanding the headquarters to accommodate CSG's growing needs has been completed. The Governor's Office should have a contact person to work with the Council of State Governments.

Among its publications, the CSG annually publishes the *Book of the States*, a compilation of information on the constitutional and statutory provisions in many areas. This is a valuable reference book. Three additional publications of interest are the ones concerning innovative state programs, suggested state legislation, and state trends and forecasts. At its headquarters, CSG maintains a library on programs in other states.

The Governors' Center is a part of Duke University's Institute of Policy Sciences and Public Affairs. The Center offers seminars, programs and publications on the role of governors as public managers. It also has an executive education program for top state managers. Current offerings can be obtained by contacting Vicky Patton, Director, The Governors' Center, Duke University, 4875 Duke Station, Durham, North Carolina 27706 (919-613-7371).

Universities

The universities in Kentucky can provide research and faculty expertise for the Governor. Working through the president of any particular university, it is usually possible to make arrangements for any needed assistance. In particular, the colleges of business, public administration, and agriculture have had cooperative relationships with state government. This resource can be especially valuable when expertise is needed for specific projects or briefings. Dr. Merle Hackbart returned to the University of Kentucky after serving as State Budget Director for about 18 months under Governor Wilkinson. Dr. Larry Jones, of the University of Kentucky College of Agriculture, served as adviser to Governor Collins for agriculture issues at the National Governors' Association meetings. There are numerous examples of such cooperative arrangements.

The Council on Higher Education (CHE) can be helpful in identifying programs within the state universities which an administration may want to tap. Dr. Gary Cox is Executive Director of the Council (502-564-3553) and James M. Miller is the current Chair.

Non-governmental Resources

Leaders and experts from business, finance, labor, education, agriculture, and communications can be valuable to a Governor. It is important to keep a balanced perspective of the issues, and listening to persons respected in their fields can help one keep that perspective. Expertise from the private sector can often be obtained for specific projects.

Security

The Kentucky State Police provide 24-hour security for the Governor and family in the office, in the mansion and while traveling. The Governor is provided with a car driven by a state trooper and the use of state aircraft. The state currently owns eight fixed-wing planes and three helicopters.

Benefits

The Governor's salary for 1995 is \$88,645.00. It is adjusted annually, based on a formula which utilizes the Consumer Price Index. The Department for Local Government determines the Governor's compensation by the second Friday in February (KRS 64.480).

In addition to the salary, the Governor receives an expense allowance of \$18,000 a year, living quarters in the mansion, and staff for the mansion. Expenses for the mansion are handled by the Finance and Administration Cabinet. KRS 42.035 provides that a reasonable amount for food for the family at the mansion be deducted from the Governor's salary.

The Governor's actual travel expenses are paid by the state and charged to the appropriate cabinet or office, according to the purpose of the travel.

Supporters

The Governor's followers are great resources, too -- the people who worked in the campaign for the office, those who voted for him or her, and those who joined the executive team. These people affirmed a belief in the person who became Governor. And the Governor must believe in them. "In the conventional mode people want to know whether the followers believe in the leader; a more searching question is whether the leader believes in the followers."⁷ A Governor's greatest motivator could be a belief in Kentucky, in the people who elect the Governor, and in the people who are willing to serve with the Governor.

CHAPTER IV

THE BALANCE OF POWER

The Constitution of Kentucky provides that state government shall consist of three branches: legislative (Sections 29 to 62), executive (Sections 69 to 108) and judicial (Sections 109 to 124); and the responsibilities of each branch are carefully separated from those of the other branches. The constitutional sections which mandate this separation of powers are as follows:

Section 27. The powers of the government of the Commonwealth of Kentucky shall be divided into three distinct departments, and each of them be confined to a separate body of magistracy, to wit: Those which are legislative, to one; those which are executive, to another; and those which are judicial, to another.

Section 28. No person or collection of persons, being of one of those departments, shall exercise any power properly belonging to either of the others, except in the instances hereinafter expressly directed or permitted.

The above sections have been part of Kentucky's Constitution since 1792.

A Citizens' Guide to the Kentucky Constitution, Research Report No. 137, Revised 1993, Legislative Research Commission, provides an overview of Kentucky's Constitution and its application to the three branches of state government.

For most of the 20th Century, the Governor's was the dominant office in state government. The General Assembly, which meets in regular session in even-numbered years, did not attempt to review or question the operation of the government. When meeting in regular session, the legislature allowed the Governor to select the legislative leadership, enabling the Governor, through loyal supporters, to control the actions of the General Assembly.

The Governor's dominance of the legislature began to erode in the late 1960's as legislators began to assert more independence through the interim joint committee system. In 1979, the Constitution was amended to change legislators' elections to even-numbered years. The new process enabled legislators to serve a year in office before starting a regular session of the General Assembly, which enabled them to be far better informed than previously. With increased activity between sessions, and better opportunities to develop expertise on issues and familiarity with state programs, the legislature has become more of an equal partner in the responsibilities of government.

In recent years, several important decisions of the state's Supreme Court have defined the limitations of power of the Governor and legislature and addressed the issue of separation and balance of power among the three branches of state government.

The first case is *Ex parte Auditor of Public Accounts*, Ky., 609 S.W.2d 682 (1980). The Auditor claimed the right to audit fees collected by the State Bar Association from its members. The Supreme Court ruled the Auditor had no right to audit these funds.

The Court said the Bar Association was accountable only to the Supreme Court and there was no constitutional authority by which it could be made accountable to either of the other two branches of government. The Court specifically noted the constitutional provisions applicable to the legislature in establishing the duties of such executive branch officials as the Auditor. However, it observed, the General Assembly must not violate the constitutional principle of separation of powers, as established by Sections 27 and 28, by improperly assigning to the Auditor authority which is rightfully within the jurisdiction of the judicial branch.

Brown v. Barkley, Ky., 628 S.W.2d 616 (1982), concerned the authority of the Governor to reorganize the Department of Agriculture, which was established by statute but headed by a constitutional, elected officer. The Court held that when the General Assembly enacted a statute permitting the Governor to reorganize executive agencies, it did not intend for the Governor to reorganize departments headed by elected constitutional officers.

Legislative Research Commission v. Brown, Ky., 664 S.W.2d 907 (1984), resulted from action taken by the 1982 General Assembly to expand its authority. The suit centered on the principle of separation of powers, as established by Sections 27 and 28 of the Constitution, and upon whether the Legislative Research Commission (LRC), consisting of legislative leaders, could exercise lawmaking power when the legislature was not meeting. Specific issues included questions of whether certain legislative leaders could appoint members of executive agencies, whether the Governor could be required to make certain appointments from a list provided by the legislature, whether LRC could be empowered to approve or reject executive appointments, and whether legislators could serve on boards of executive agencies. The suit also addressed the authority of LRC to veto administrative regulations; to control certain budgeting matters, including budget specifications and restrictions, and to approve certain grant applications. Finally, the suit addressed the issue of a 1982 statute which empowered LRC to approve reorganizations made by the Governor.

The Supreme Court held that implementation of certain statutory action of the 1982 General Assembly would violate the constitutional principle of separation of powers of the three branches of government. The unconstitutional statutes empowered LRC, a portion of the legislative membership, to act as the legislature when the legislature was not in session.

The Court strictly interpreted the separation of powers clause of Sections 27 and 28, when it specifically noted the constitutional limitation upon the duration of legislative sessions and the requirement that the legislature consist of two chambers. Thus, not only

could legislative action not be undertaken when the legislature was not in session, but LRC could not act for the full bicameral legislature when the legislature was not in session.

Additionally, the Court ruled that to preserve separation of powers, specific legislative leaders could not appoint members of executive agencies, the governor could not be required to make appointments from names submitted by certain members of the General Assembly, and legislators could not serve on boards of executive agencies. The Court held that to permit LRC to approve executive appointments or reorganization, to veto administrative regulations, or to hold authority to reject certain grant applications would violate constitutional provisions relating to establishment of a bicameral legislature and the specified time during which the legislature may act.

However, the Court also said the state's budget is "fundamentally a legislative matter," and upheld statutes permitting the General Assembly to enact a spending reduction plan to provide for a drop in anticipated revenue of less than five percent and requiring the Governor to report to LRC all plans to modify the budget when anticipated revenue drops more than five percent. The Court also approved statutes requiring each branch of government to interpret provisions of the budget bill in conformity with the budget memorandum adopted by the General Assembly, and directing the executive branch to monitor the state's financial position and give monthly reports to each branch.

Commonwealth ex rel. Armstrong v. Collins, Ky., 709 S.W.2d 437 (1986) was the next case which helped clarify the powers of the legislative and executive branches of government. In that case, the Attorney General challenged the General Assembly's power to suspend or modify statutes through the budget bill, and to transfer money from certain state agencies.

The Court held that the General Assembly had the power to pass a budget bill which suspended or modified existing statutes for the duration of the budget bill. The Court also said that, while the legislature could transfer public funds in the budget, it would be unconstitutional to suspend statutes to transfer money from agencies, such as the state's retirement systems, in which public and private funds and private employee contributions were commingled.

The last of this line of major cases relating to state government was *Rose v. Council for Better Education, Inc.*, Ky., 790 S.W.2d 186 (1989), the "education case." In *Rose*, the Supreme Court held unconstitutional the entire state system of elementary and secondary education. The Court said the General Assembly has the sole responsibility and absolute duty to establish an efficient system of schools throughout the Commonwealth.

According to the Court, the *Rose* decision was "an opportunity for the General Assembly to launch the Commonwealth into a new era of educational opportunity which will ensure a strong economic, cultural and political future."

Responding to the opportunity in July, 1989, the General Assembly and Governor cooperated in naming members to the Task Force on Education Reform. This cooperation resulted in the development of the Kentucky Education Reform Act of 1990, a broad restructuring of the curriculum, governing and financing of the state's school system.

Working with the General Assembly

Under the Kentucky Constitution, it is the Governor's responsibility to "take care that the laws be faithfully executed." (Section 81.) However, the Constitution also provides for the Governor to participate in the process by which the laws are enacted. For example, Section 79 states that the Governor "shall, from time to time, give the General Assembly information of the state of the Commonwealth, and recommend to their consideration such measures" as may be deemed expedient. It is traditional for the Governor to give a State of the Commonwealth address in the early days of each regular legislative session. It is also traditional, but not constitutionally required, for the Governor to submit a proposed budget to the General Assembly.

In the era when the Governor dominated the General Assembly, it was not unusual for the Governor's budget to be adopted without changes by the legislature. In recent years, however, the legislative budget review process has become more sophisticated, and legislators now develop their own budget recommendations. In 1982, the General Assembly enacted KRS Chapter 48, which defines the procedures which the legislative, executive and judicial branches of government shall follow in preparing their budget recommendations for the General Assembly.

In addition to making budget recommendations which reflect the Governor's taxing and spending priorities, the Governor also has the veto power found in Section 88 of the Constitution.

The Governor is given ten days to veto or sign any bill which has passed both chambers of the General Assembly. If a bill is vetoed, it is returned to the legislature with written objections, contained in a veto message. A veto may be invalidated if not accompanied by a veto message. If the bill passes a second time, with a majority of the members elected to each house voting in favor of it, the bill becomes law without the signature of the Governor. Should the Governor neither sign nor veto a bill within ten days, it becomes law ninety days after final adjournment of the General Assembly, unless a special effective date is included in the bill.

In the case of appropriations bills, those which spend state monies, the Governor has the power of the line-item veto. That is, specific sections may be vetoed, rather than the entire bill. Only a vote to adjourn the General Assembly, to amend the state Constitution, to approve a proposed United States constitutional amendment, or to offer a tax referendum (under Section 171) is immune from the gubernatorial veto (Sections 89, 256, and 171).

Another area in which the Governor has significant authority is the calling of special sessions of the General Assembly, as provided in Section 80 of the Constitution. Special sessions have been convened frequently in recent years. The increasing responsibilities of state government sometimes demand legislative action more often than once every two years, and there is a growing recognition of the General Assembly's role in reacting to emerging issues.

If the Governor calls an extraordinary session, pursuant to Section 80, the subjects to be considered in the session must be stated in the call, and no others may be considered. A bill dealing with a subject outside the call is void, even if it is approved and signed by the Governor. However, the Governor may amend the original call by adding, but not deleting, subjects to be considered.

Recent special sessions have been called to address property tax limitations (1979), education (1985), worker's compensation (1987), implementation of a state lottery (1988), solid waste disposal (1991), legislative ethics and health care reform (1993), enactment of an executive branch budget (1994), inheritance and estate tax limitations and taxation of private pensions, and financing of certain capital construction projects (1995).

The General Assembly meets in organizational session in January of odd-numbered years to elect its leadership and establish its committees. The committees and their jurisdictions are established by the Rules of the House and of the Senate. During a session, the standing committees have a regular weekly meeting schedule. The Committee on Committees, the Rules Committee, and the Enrollment Committee in each Chamber meet daily and on the call of the Chair. See the Rules of the House and of the Senate for the standing committees and their jurisdictions and the procedures for the committees, including bill postings, motions, and committee reports.

The organizational session is limited to ten legislative days. The regular session is limited to 60 legislative days between the first Tuesday after the first Monday of January and the fifteenth of April in even-numbered years (Sections 36 and 42, Kentucky Constitution). A legislative calendar is adopted by the leadership, with deadlines for bill requests and introduction of bills and days designated for concurrence only. Since the Constitution grants the Governor ten days within which to act on legislation, the General Assembly recesses and reconvenes to consider legislation which has been vetoed. Approved legislation is effective 90 days after final adjournment of the General Assembly, unless it is emergency legislation or it has a special effective date.

The Legislative Research Commission (LRC)

The Legislative Research Commission (LRC) is authorized by KRS 7.090 as an independent agency of state government. The Commission is composed of the 16 members of leadership in the House and Senate. During the interim the commission meets on the first Wednesday of each month. Its duties and responsibilities are contained in KRS Chapter Seven.

The LRC staff, under the direction of an executive director, provide research, administrative and support services for the members of the General Assembly. A list of staff and committee assignments is available from the Office of the Director.

There are five statutory committees whose activities involve executive branch agencies. They are:

1. The Administrative Regulations Review Subcommittee, established and defined in KRS Chapter 13A. This Subcommittee of LRC meets monthly to review and comment on administrative regulations filed by state agencies. (See Chapter I for more information on the process.)
2. The LRC Capital Projects and Bond Oversight Committee, authorized by KRS 45.790 to oversee the expenditure of funds for capital projects, the sale of bonds by state agencies, and bond-funded projects. The committee also reviews the state's leasing of private property (KRS 56.823). Representatives from the Finance and Administration Cabinet and from state agencies regularly appear before the committee, which meets monthly.
3. The Personal Service Contract Review Subcommittee of LRC, which reviews all the personal service contracts awarded by state agencies. Under normal circumstances, a contract must be filed with the Subcommittee before work may be authorized and must be reviewed by the Subcommittee before payment may begin (KRS 45A.690 -- 45A.725). The Subcommittee meets monthly.
4. The Program Review and Investigation Committee, a permanent standing committee of the General Assembly (KRS 6.905 -- 6.935). The committee meets monthly and its membership is defined by statute. Performance reviews, reports on state programs and state agencies, and special studies may be authorized by the Committee. The statutory authority of this committee includes conducting investigations, the power to subpoena witnesses, and the use of the Attorney General and the Auditor of Public Accounts in carrying out its duties.
5. The Capital Planning Advisory Board of the Kentucky General Assembly, composed of members from the three branches of government, which is empowered to prepare a comprehensive state capital improvement plan and make recommendations for funding. (See KRS 7A.010 -- 7A.170.) The Board meets on call of the Chair.

Special committees and task forces are established by the General Assembly for specific issues. These committees exist for specific purposes and are directed to report their findings and recommendations to the General Assembly.

The following special committees have been active in the 1994-95 Interim: Task Force on Domestic Violence; Commission on Poverty; Special Subcommittee on Statutes and Regulations Publication; Subcommittee on Veterans' Affairs; Tobacco Task Force; and Special Advisory Commission of Senior Citizens.

During the interim between regular sessions of the General Assembly, the standing committees of the House and Senate form Interim Joint Committees, which meet monthly to study issues, hold hearings, and consider pre-filed bills.

The activities of all the Committees are presented in an *Interim Report of the Joint and Special Committees*, which is produced in late November preceding a regular session. Another regular publication, *Issues Confronting the General Assembly*, provides information which is helpful in preparing for a session. It is produced in the fall preceding a regular session in January. The *Interim Legislative Record*, a monthly publication, provides the minutes of the committee meetings and the summaries of the pre-filed bills.

Lobbyists are active in the legislative process during the interim and the session. They work with the executive and legislative branches in their areas of interest. Lobbyists are required to register with the Legislative Ethics Commission and a list of these agents can be obtained from that office. (See KRS 6.601 -- 6.829 and Chapter 11A for the Kentucky Code of Legislative Ethics and the Executive Branch Code of Ethics and provisions relating to lobbyists.)

Increased legislative activity between sessions of the General Assembly has been an important factor in the growth of the General Assembly. The interim committee system brings legislators to Frankfort on a regular basis to review the latest information on developing issues. This between-sessions role of gathering and studying information improves the possibilities for cooperation between the legislative and executive branches. Now, as never before, legislators and their staff have the opportunity to work with executive branch officials to monitor state programs and react to changing circumstances which affect government. An excellent example of the value of such coordinated efforts was the work of the Task Force on Education Reform.

The Governor works with the leaders in the Senate and the House to introduce the budget and legislative package. The committee chairs are important to the legislative process and are routinely contacted regarding the administration's package of legislation. A good working relationship requires good communication and frequent contact between the Governor and the legislators.

Additional Information

The legislative process is outlined in detail in *Inside the Kentucky General Assembly*, a publication of the Legislative Research Commission.

Descriptions of the offices of the Constitutional Officers of Kentucky can be found in *The Executive Branch of State Government*, Informational Bulletin 171, 1994, and the *Report of the Commission on Kentucky's Government*, Research Report No. 254, 1991, Legislative Research Commission.

Working with the Judicial Branch

The Court of Justice in Kentucky is a unified system for the purposes of court operation and administration. It consists of two appellate levels, the Supreme Court and the Court of Appeals, and two trial levels, the circuit courts and the district courts.

Seven justices form the Supreme Court. One justice is elected from each of the appellate districts for an eight-year term. The Chief Justice is chosen by the justices for a four-year term. The Chief Justice is empowered to assign any judge to any court in the state to balance the caseload. The Administrative Office of the Courts is under the direction of the Chief Justice, who prepares and submits to the General Assembly the budget for the entire system. It has also become a tradition for the Chief Justice to deliver a State of the Judiciary Address to the General Assembly.

The Court of Appeals has fourteen judges, who are elected from the appellate districts for eight-year terms. Each district has two judges. The judges choose one of their members to serve as Chief Judge for a term of four years. The Court of Appeals is divided into panels of no fewer than three judges. The panels do not sit at one site, but move around the state to hear appeals.

The circuit court judges are elected from judicial circuits, which may include more than one county, but circuit court is held in each county. Circuit judges are elected for eight-year terms. The circuit court has original jurisdiction and appellate jurisdiction as provided by law.

Each county has a district court, although the judicial district may include more than one county. The judges are elected for four-year terms. The court has original jurisdiction as provided by law.

When a vacancy occurs in an elective office in the Court of Justice, it is filled by appointment of the Governor. The appointment process is defined in Section 118 of the Constitution. The Governor is required to make the appointment from a list of three names submitted by the appropriate Judicial Nominating Commission. If the Governor fails to act within 60 days after receiving the list of names, the Chief Justice of the Supreme Court makes the appointment.

There is one Judicial Nominating Commission for the Supreme Court and the Court of Appeals. Each judicial circuit and each judicial district has a Judicial Nominating Commission. Each commission has seven members, one of whom is the Chief Justice, who chairs the commission. Two members are selected by the Kentucky Bar Association and four members are appointed by the Governor. The Governor's appointees must represent the two major political parties and be residents of the appropriate judicial circuit or district. However, the appointee may not hold a public office or any office in a political party.

Section 121 of the Constitution establishes a procedure to retire or remove a member of the Court of Justice. The sanctions can range from a private reprimand, public reprimand, or suspension from office to removal from office or forced retirement. In this process the Governor appoints two persons who are not members of the Bar to a commission, which also includes one Judge of the Court of Appeals, one Circuit Judge, one District Judge and one member of the Bar. If the actions of the Retirement and Removal Commission create a vacancy in office, the process for filling a vacancy through the Judicial Nominating Commission is followed.

CHAPTER V

THE CALENDAR: INAUGURATION THROUGH DERBY

The first few months of an administration are filled with many important scheduled events but will undoubtedly include many which cannot be anticipated. The listing below provides dates of events which may be of interest to a new administration.

December 12, 1995	Inauguration Day
December 25 + 1 day	State government closed
January 1 + 1 day	State government closed
January 1, 1996	Constitutional officers take office
January 2, 1996	General Assembly convenes
January, 1996, TBD	Workshop for new cabinet secretaries and constitutional officers on the legislative process - Legislative Research Commission
January 15, 1996	State government closed for Martin Luther King Jr. holiday
January, 1996, TBD	General Assembly's press/media day
January 24, 1996	Fifteenth legislative day. Executive Biennial budget due to the General Assembly
January, 1996, TBD	State of the Commonwealth address to the General Assembly
January, 1996, TBD	Budget Address to the General Assembly
February 2 - 4, 1996	National Governors' Association, winter meeting in Washington, DC
February 19, 1996	State government closed for Presidents' Day
February 22, 1996	Last day for new bill requests to Legislative Research Commission

March 1, 1996	Last day for new House bills
March 5, 1996	Last day for new Senate bills
March 28 and 29, 1996	Two days designated for concurrence only in the General Assembly
March 30 - April 10, 1996	General Assembly in recess; Governor acts on delivered legislation
April 5 - 26, 1996	Keeneland Spring Meet
April 5, 1996	State government closed half day for Good Friday
April 7, 1996	Easter
April 11 and 12, 1996	General Assembly reconvenes to reconsider legislation vetoed by the Governor; Afterward, General Assembly adjourns <i>sine die</i>
April 27 - July 4, 1996	Churchill Downs Spring Meet
April 21, 1996	They're Off Luncheon, Louisville
May 1, 1996	Great Steamboat Race, Louisville
May 2, 1996	Kentucky Derby Festival Parade, Louisville
May 3, 1996	Oaks Day - Churchill Downs
May 4, 1996	Kentucky Derby Day - Churchill Downs

CHAPTER VI

REFLECTIONS ON THE CHALLENGES AND REWARDS OF THE OFFICE OF GOVERNOR

One cannot know what it is like to be Governor of Kentucky until one sits in the Governor's chair.

Three former Kentucky Governors offered this opinion in separate interviews. Only as Governor does one have access to all information. Only as Governor does one hear the question, "Well, Governor, what do you want to do?" Regardless of one's knowledge and experience in government prior to taking office, the role of Governor is unique and cannot be fully anticipated.

The executive budget is the most powerful means of reflecting a Governor's vision and leadership. Developing it is a time-consuming process but one critical to a Governor's success. A Governor is "destined for a miserable four years" if the budget process is not firmly grasped, commented one. All agreed that the Office for Policy and Management provided superb assistance, but that there is no substitute for the Governor's personal involvement in the briefings and the decisions required in preparing a biennial budget.

The bridge from campaigning to governing must be crossed in a hurry. Selecting key staff and cabinet secretaries will be one of the first indications of the change in roles from candidate to Governor. Key appointees of past governors were most often found through personal knowledge of their work or references from people respected for their expertise. One sought diversity of strengths to form a team; another sought innovative people who could offer unexpected approaches to problems; all expressed the desire for qualified people of integrity and loyalty. Background checks, including a credit report, were recommended. One suggested drawing skilled people from the private sector by personally requesting CEOs to release a top person for government service for a limited time. Another mentioned the "reservoir of talent" in state government as a good source.

One of the great challenges of the office is maintaining accessibility to staff, the Executive Cabinet, legislators, the citizens of the state, the media, and one's family. One former Governor said the greatest surprise was the number of people who had to see the Governor even when someone had been designated to handle a situation. Another expressed regret over the lack of time with family. A well-organized office, a high energy level, and good staff are required to meet the demands on the Governor's time.

Keeping in touch with the people of Kentucky was also emphasized. In addition to government-to-the-people sessions, one noted the importance of listening to people -- knowing their concerns. Although the limited opportunities to meet with constituents one-on-one was acknowledged, the importance of doing so was stressed.

The importance of communication with legislators was recognized by all. Frequent and casual gatherings were recommended, to establish a rapport and build a mutual understanding of problems. Two governors had walk-in privileges for legislators. Another emphasized the including of legislators in developing legislative agendas and in economic development efforts. "Get to know one another," "develop a partnership," and "know when to compromise and when to take your best hold and run with it," are admonitions of former chief executives.

Comments on random topics include the following:

- Know the content of correspondence which is leaving the Office. Be sure it reflects the Governor's positions.
- Know the nature of an appointment, even with a friend, prior to the meeting.
- Protect yourself from compromising situations. Have staff present at meetings.
- Have a person with strong credentials in the state-federal relationship position. Be easily accessible to this person. It is an important position to the Governor and to the state.
- Talk with family and friends. They will not have the inside briefings and can provide the Governor with insight to constituents' perceptions of problems or situations.
- Key staff and advisors need to feel free to disagree with the Governor when discussing policies.
- Don't take yourself too seriously.
- Provide media with complete background information on an announcement, program, or policy.
- Know your subject matter.
- Work hard.
- You will make mistakes.
- Keep a sense of humor.
- Being Governor is a great experience.

(Compilers Note: Interviews were sought with the Governors who served for the past twenty years. Due to scheduling conflicts and the time constraints of publication, Governor Wallace Wilkinson and former Governor John Y. Brown were not interviewed. This omission is regretted. Appreciation is extended to United States Senator Wendell Ford, former Governor Julian Carroll and former Governor Martha Layne Collins for their time and insights.)

CHAPTER VII

LOOKING AHEAD FOR KENTUCKY

Kentucky is a diverse state — economically, culturally, and geographically. The average per capita income in 1992 by county ranged from \$9,466 to \$22,901. Unemployment figures for Kentucky counties in 1994 ranged from 2.5% to 13.5%. The state is rich in the natural resources of fertile land, coal, streams and lakes, and timber. The flat land, rivers and lakes in western Kentucky, the rolling bluegrass in central Kentucky and the steep hills of Appalachia — all have generated cultural patterns and traditions separate and unique to themselves. Yet the state seal contains the motto, "United we stand; Divided we fall." Keeping a vision for a united Kentucky is a challenge for all its leaders, but especially for the Governor.

Over the past five years there has been a significant movement afoot to "reinvent government." There is a general belief that fundamental change is occurring in society and that government needs to evaluate what it does and how it does it in order to meet the challenges that lie ahead. Efforts to do this involve a process of developing a vision of where a state is and where it would like to be; setting out goals and objectives and strategies to get it there; finding indicators that can be measured in order to assess progress in attaining its goals; setting benchmarks by which to measure progress. It all involves the need to make better, longer-lasting decisions today by considering the big picture and the long range.

One of Kentucky's responses to this need for a long-range perspective in government decisionmaking was the creation in 1992 of the Kentucky Long-Term Policy Research Center. The Center's mission is to provide information on the long-range implications of current policies, emerging issues, and trends influencing the Commonwealth's future. As envisioned by the Kentucky General Assembly, the Center's work will enable policymakers to "take advantage of opportunities, avoid problems, and provide for continuity in policy." Part of the Center's charge is to develop an ongoing and responsive process for long-term policy development that will actively involve and inform the public.

To achieve the goals of informing the decision-making process and involving citizens, the Center is charged with:

- Creating a statewide scanning program to identify emerging trends;
- Preparing a biennial trends report;
- Reporting on alternative futures for the Commonwealth;
- Advising the General Assembly and the Governor on the long-range implications of current policies;
- Conducting an ongoing public information and education program; and
- Developing a database for trend identification and analysis.

The Center is governed by a 21-member board of directors that includes four appointees from the executive branch, selected by the Governor, six legislators appointed by LRC, and 11 at-large members representing citizen groups, universities, local governments, and the private sector. From the at-large component of the board, six members are appointed by the Governor and five by the Legislative Research Commission.

By statute, the Center is attached to the legislative branch, because it has to be assigned to one of the three branches. However, the intent, as indicated by the structure of the Board, was to provide the agency with functional independence and permit it to serve both the executive and legislative branches of government equally, as well as the public.

In December 1994, the Long-Term Policy Research Center published its first biennial trends report, called *The Context of Change*. Major trends it identifies include the following:

- *Fiscal responsibility and accountability* — The demand on governments at all levels to do more with less, to be accountable for outcomes rather than inputs, and to be more responsive to citizens' needs (pp. 84-91);
- *Changing traditional Kentucky industries* — The impact of new technologies on tourism or ways in which traditional agriculture is changing (pp. 41-60, 92-98);
- *The changing employer-employee contract* — The emergence of such issues as job insecurity, declining employee benefits, and increasing levels of part-time employment (pp. 61-69, 76-77);
- *Environmentalism* — A new recognition of the interaction and interdependence of the environment with business, social welfare and even finances (pp. 99-110);
- *Information and communication technologies* — The growing importance to our lives of technological innovations in transportation, education, health care and business (pp. 31-33, 36-40);
- *Growing importance of community* — The growing need for civic involvement in which communities take responsibility for everything from improving quality of life to promoting economic development (pp. 154-158);
- *An emerging emphasis on preventive health care* — Increasing public and private efforts to address rising costs and other problems with the health care system (pp. 111-116);
- *Investment in future generations* — The recognition that investing in children can result in significant downstream benefits when they become adults (pp. 117-125, 131-133);
- *Accountability and accessibility in higher education* — The growing need for a college education to be accessible financially and for schools to be held accountable for the quality of education they provide (pp. 137-144);

- *Recognizing and respecting diversity* — A trend that reflects a growing attention to the needs of various ethnic, cultural and racial groups in American Society and a deepening appreciation of the benefits that diversity offers (pp. 4-6);
- *New Kentucky industries* — Kentucky's economic landscape is constantly changing, uncovering new economic opportunities for those able and willing to grasp them (pp. 6-9, 50-60, 92-98);
- *New responses to crime* — Over the past 20 years, the rate of incarceration has increased 233 percent in Kentucky. The rising cost of incarceration is challenging policymakers to discover and implement alternatives to prison (pp. 145-153);
- *Rising income inequality* — Income inequality increased in Kentucky from 1980 to 1990, with the rich becoming richer while the poor have become poorer. The gulf between the "haves" and "have nots" may be pushing prosperity farther out of reach for all Kentuckians (pp. 72-74);
- *Globalization of business and the internationalization of commerce* — This trend encompasses the growing importance to the state's economy of international trade, foreign investment, and international migration and the need for high-quality production (pp. 33-36);
- *New labor practices and worker associations* — Joint worker-manager problem solving may offer the best hope for an improved economic future (pp. 74-77);
- *The aging of society* — The rising number of older Kentuckians and the ways in which the health care system, social services and businesses will have to respond to an aging population (pp. 21-25);
- *The growing importance of lifelong learning* — Increasing demands in the workplace for high-skilled labor require workers to train continuously. As a result, learning must be viewed as a lifelong endeavor (pp. 1-3, 126-130, 133-136);
- *Brains over brawn* — No single force of change has influenced workplace skill levels as much as the arrival of the long-heralded Information Age. Technology is accelerating the rate of change and creating an explosion of opportunities for highly skilled workers and innovative firms (pp. 36-40);
- *Changing family structures* — This demographic trend incorporates such issues as the rise in single-parent and non-traditional households and the increasing presence of women in the workforce (pp. 6-20);
- *Working poor* — Each year millions of Americans work or look for work, yet they and their families continue to live in poverty. In Kentucky, the portion of families who work but remain poor has expanded (pp. 69-71);
- *Intergenerational tension* — The emerging debate about federal entitlements that are geared, more or less, toward specific age groups – like Social Security (pp. 26-28)

The executive summary of the report is included in Appendix 10. The wealth of material provided about current conditions in Kentucky and the implications of these conditions merits reading by all who are involved in policymaking. *By statute, the trends*

identified in the biennial trends report are to be considered by agencies in setting their budget priorities.

Other recent publications of the Long-Term Policy Research Center include a report on the future of burley tobacco, a summary of issues identified by the statewide scanning program (*Scanning Kentucky*), and a periodic newsletter called *Foresight*.

The center is also involved in a project called *Kentucky Outlook 2000: A Strategy for Kentucky's Third Century*. The Kentucky Long-Term Policy Research Center and the Cabinet for Natural Resources and Environmental Protection have joined in a groundbreaking effort to anticipate 21st Century needs and policymaking responses. Funded by the Environmental Protection Agency, the project challenges the Center to report on alternative futures before the Commonwealth based on comprehensive research and extensive citizen input.

Kentucky Outlook 2000 is seeking to develop a collective vision for the future of the state that will lend guidance to policymakers in the years to come. In 1994, the Center participated in a series of public forums around the state designed to build a shared vision of what Kentuckians want their state to be like in the coming years. From this shared vision, the Center is developing workable strategies for getting where Kentuckians want to go and creating an ongoing system for measuring progress on this future course. The Center is planning a Kentucky Benchmarks report to be finalized in 1995, to lay out the overall strategic plan for realizing the vision. It is doing this by synthesizing the strategic plans of other agencies into one coordinated state strategy, with the involvement of the Board, state agencies, interested parties, and the public.

Major research efforts for the Center for 1995 will be on the future of Kentucky's rural communities, future trends and budgets, and creating a globally competitive workforce.

Footnotes

¹John Gardner, *On Leadership* (New York: The Free-Press, 1990), p. 65.

²Jeremy Larner, *The Candidate* (Los Angeles, California: Warner Brothers/Warner Communications Co., 1972).

³Gardner, p. 166.

⁴Ibid, p. 10.

⁵Robert P. Huefner and Michael L. Nash, "The Politics of Leadership", in *State Government* (Lexington, Kentucky: Council of State Governments, Vol. 57, No. 3, 1984), pp. 67-72.

⁶Herzik, Eric B. and Brent W. Brown. (Eds.) 1991. *Gubernatorial Leadership and State Policy*. "Developing Executive Roles: Gubernatorial Concerns in the Transition Period" by Mary D. Herzik, Eric B. Herzik, and James S. Granato. (N.Y.: Greenwood Press), Chapter 3.

⁷Gardner, p. 199.

APPENDICES

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APPENDIX 1

Gubernatorial Transition

11.210 Definition for KRS 11.210 to 11.260.

As used in KRS 11.210 to 11.260, "Governor-elect" means the person who is the apparent successful candidate for the office of Governor, as ascertained by the Secretary of State following the general election.

11.220 Purpose, intent of gubernatorial transition law.

The General Assembly declares it to be the purpose of KRS 11.210 to 11.260 to promote the orderly transfer of the executive power in connection with the expiration of the term of office of a governor and the inauguration of a new governor. The interest of the Commonwealth requires that such transitions be accomplished so as to assure continuity in the conduct of the affairs of the state government. Any disruption occasioned by the transfer of the executive power could produce results detrimental to the safety and well-being of the Commonwealth and its people. Accordingly, it is the intent of the General Assembly that appropriate actions be authorized and taken to avoid or minimize any disruption. In addition to the specific provisions contained in KRS 11.210 to 11.260 directed toward that purpose, it is the intent of the General Assembly that all officers of the state government so conduct the affairs of the state government for which they exercise responsibility and authority as to be mindful of problems occasioned by transitions in the office of Governor, to take appropriate lawful steps to avoid or minimize disruptions that might be occasioned by the transfer of the executive power and otherwise to promote orderly transitions in the office of Governor.

11.230 Facilities for Governor-elect.

The secretary of the Finance and Administration Cabinet is authorized to provide, upon request, to each Governor-elect, for use in connection with his preparations for the assumption of official duties as Governor, necessary services and facilities, including suitable office space appropriately equipped with furniture, and office supplies as determined by the secretary of the Finance and Administration Cabinet after consultation with the Governor-elect, within the State Capitol complex.

11.240 Duty of outgoing Governor.

It shall be incumbent upon the outgoing Governor to direct that all official documents, vital information and procedural manuals shall be given to the Governor-elect upon request.

11.250 Participation in budget making by Governor-elect.

(1) The Governor-elect or a delegate appointed by him shall be entitled to examine the budget request of the executive branch of government, and the Finance and Administration Cabinet shall provide him with every

practicable facility for reviewing and familiarizing himself with its contents. The Governor-elect shall be entitled to a seat in all hearings thereon. He shall be furnished a copy of the budget request of each executive branch budget unit. The budget director shall make available to the Governor-elect so much as he requests of the information upon which the Governor's budget recommendation is based.

(2) After a review of the executive branch draft budget bill, the Governor-elect may prepare revisions and additions thereto. The budget director shall assist, upon request, in the preparation of such revisions and additions.

(3) The budget director shall have as many copies of the revised budget recommendation of the executive branch of government printed as the Governor-elect requests.

11.260 Expenses of transition.

The Finance and Administration Cabinet shall bear all necessary expenses for carrying out the purposes of KRS 11.210 to 11.260. The Governor shall include in the budget transmitted to the General Assembly, for each fiscal year in which his regular term of office will expire, a proposed appropriation for carrying out the provisions of KRS 11.210 to 11.260.

APPENDIX 2

History and Organization of the Executive Branch of Kentucky State Government

Prepared by Greg Freedman
LRC Staff

The Office of Governor

The office of Governor was unknown to common law and was created by state constitutions. The Governor of the Commonwealth of Kentucky, therefore, possesses the powers granted by the Constitution of Kentucky and the statutory powers granted by the Kentucky General Assembly.

Constitutional Powers

Although Kentucky has had *four constitutions*, 1792, 1799, 1850, and 1891, the constitutional powers of the Governor of the Commonwealth have remained basically the same since 1792.

- The first Constitution placed no restrictions on the number of terms a Governor could serve, provided for election of the Governor by electors of the Senate, and required only two years of residency in the state prior to election.
- The 1799 Constitution prohibited a Governor from serving succeeding terms, required election by the people, provided a six-year residency requirement, and created the office of Lieutenant Governor.
- The 1891 Constitution removed a provision that prohibited clergy from being elected Governor, or to the General Assembly, and gave the Governor the line-item veto on appropriation bills.
- All four constitutions have granted the Governor supreme executive power, deemed the Governor commander-in-chief of the militia, granted pardoning power and appointive power, authorized the Governor to obtain information on matters of state from executive officers and to call the General Assembly into extraordinary session, required the Governor to report on the state of the Commonwealth and to faithfully execute the laws, and required that the Governor's salary be fixed by law.

The first Governor of Kentucky, Isaac Shelby, was chosen by electors of the Senate in 1792. The second Constitution of Kentucky was adopted in 1799 and it provided for popular election of the Governor and a Lieutenant Governor. The first Governor elected by popular vote was James Garrard in 1800.

1792 First Governor
1800 First Governor Elected By Popular Vote
First Lieutenant Governor

- 1851 First elected Attorney General
- First elected State Treasurer
- First elected Auditor of Public Accounts
- First elected Superintendent of Public Instruction
- 1891 First elected Secretary of State
- First elected Commissioner of Agriculture

Executive Branch Organization

The administrative structure of Kentucky's Executive Branch of state government has been subject to two major reorganizations during this century, in 1936 and 1973. There was a reorganization in 1934; however, the new departments were headed by elected officials or commissions. Before 1934, the Executive Branch evolved through the adoption of four state constitutions and consisted largely of boards and commissions created by the General Assembly. The 1936 Reorganization structured the Executive Branch under ten statutory departments. Between 1944 and 1960, there were fourteen departments created. Since 1973, when the program cabinet system was adopted, the number of program cabinets has grown from six to as many as thirteen and in 1995 consists of twelve cabinets.

Executive Branch Before 1934

During the early years of this century, state governments were faced with rising costs and demands for government services. Today, state governments continue to confront those problems, but they were compounded at the turn of the century because, in most states, the Governor had not exhibited many characteristics of an executive manager. In 1917, in response to demands for a state government that could be more efficiently administered, Illinois became the first state to adopt a reorganization plan. Prior to World War II, approximately thirty states followed Illinois in enactment of reorganization plans that made most administrative agencies responsible to the Governor. The Kentucky General Assembly defined the powers for the first time in the 1936 Reorganization Act. Prior to that time, the Executive Branch consisted of various boards, commissions, and independent agencies that were not organized in a systematic plan.

- 1833 State Librarian
- 1836 Board of Internal Improvements
- 1838 State Board of Education
- Common School Fund
- Superintendent of Public Instruction Appointed by Governor
- System of Common Schools
- 1870 Bureau of Insurance (in Office of Auditor)
- 1876 Bureau of Agriculture, Horticulture, and Statistics
- 1878 State Board of Health
- 1884 Department of Mines
- 1898 State Board of Penitentiary Commissioners

- 1902 Labor Inspector
- 1906 Fire Marshal of Kentucky (Deputy Insurance Commissioner)
State Racing Commission
State Board of Agriculture, Forestry, and Immigration
State Board of Control of Charitable Institutions
- 1910 Live Stock Sanitary Board
Library Commission
- 1912 Department of Public Roads
Department of Banking
Game and Fish Commission
State Board of Forestry
State Board of Agriculture
- 1916 State Tax Commission
Workers' Compensation Board
- 1918 Budget Appropriation Commission (*state's first budget system*)
State Textbook Commission
Vocational Education Board
Commissioner of Geology and Forestry
State Board of Control
- 1920 State Board of Charities and Corrections
Educational Commission
- 1922 Department of State Roads
State Highway Commission
- 1924 State Park Commission
- 1926 State Highway Department (Dept. of State Roads and Dept. of Public Roads merged)
Department of Motor Transportation
Purchasing Commission
Securities Department
State Bank Examiners
Commissioner of Pardons
Budget Commission
State Budget Officer
- 1932 Department of Public Welfare
Department of Military Affairs

Executive Branch Structure in 1934

In 1934, there were sixty-nine statutory boards, offices, agencies, and commissions, in addition to the constitutional offices. Governor Ruby Laffoon proposed and the General Assembly enacted in 1934 the Administrative Reorganization Act. The Executive Branch was organized under seventeen administrative departments and seven independent agencies. The Act also created the Executive Cabinet. The 1934 Reorganization has not been considered a true reorganization because most of the major departments were headed by commissions or elected officials, rather than a single person appointed by the Governor. The Department of Public Property, for example, consisted of

the Governor, who acted as chair, the Auditor, the Treasurer, the Secretary of State, the Attorney General and four other persons. The Department of Finance and Budgetary Control consisted of the Governor, Chair of the State Tax Commission, and the Secretary of the Executive Cabinet.

The Reorganization of 1936

The Reorganization Act of 1936 was enacted at an Extraordinary Session of the General Assembly, called by Governor A.B. Chandler in February, 1936. In his proclamation the Governor stated that it was essential that the multiplicity of scattered boards, commissions, departments, and other agencies of state government be brought together into a systematic, orderly plan. The Reorganization Act of 1936 largely abolished boards and commissions, except those having quasi-legislative and quasi-judicial functions.

More than fifty administrative agencies were consolidated by the 1936 reorganization under ten statutory departments. Those departments were:

- Department of Finance
- Department of Revenue
- Department of Highways
- Department of Health
- Department of Welfare
- Department of Industrial Relations
- Department of Business Regulation
- Department of Conservation
- Department of Library and Archives
- Department of Mines and Minerals

The 1936 Reorganization Act also gave the Governor statutory administrative powers that had been lacking. The Act also created the Governor's General Cabinet, which consisted of the Governor, heads of the ten statutory departments, Auditor, Secretary of State, Attorney General, State Treasurer, Commissioner of Agriculture, Superintendent of Public Instruction, and Adjutant General. Functions previously performed by the State Planning Board were transferred to the Cabinet. The current statute lists members of the Cabinet as heads of the constitutional and statutory administrative departments and Program Cabinet Secretaries.

The Years Between the 1936 and 1973 Reorganizations

Between 1944 and 1960, as demands for new services grew, fourteen departments were created within the Executive Branch. Those departments were:

- Department of Aeronautics (1948)
- Department of Alcoholic Beverage Control (1944)
- Department of Banking (1946)

Department of Fish and Wildlife Resources (1944)
Department of Economic Security (1948)
Department of Economic Development (1956)
Department of Insurance (1950)
Department of Motor Transportation (1950)
Department of Mental Health (1952)
Department of Personnel (1956)
Department of Public Relations (1956)
Department of Public Safety (1956)
Department of Child Welfare (1960)
Department of Parks (1960)

By 1960, two of the ten departments established in 1936 no longer existed.

- In 1954, the Department of Library and Archives was abolished.
- In 1960, the Department of Business Regulation was eliminated.
- In 1962, the Department of Libraries was established, the Department of Public Relations was renamed the Department of Public Information, the Department of Economic Development was renamed the Department of Commerce, and the Department of Welfare was abolished and replaced by the Department of Corrections.
- In 1964, the Department of Conservation was renamed the Department of Natural Resources.
- In 1970, the Commission on Women was created.

Reorganization of 1973

Thirty-six years after the 1936 reorganization, there were *more than 60 departments and administrative agencies and 210 boards, commissions, and committees* reporting to the Governor. State revenue collections increased from \$11.5 million in 1936 to \$845 million in 1971. The expansion of public services and governmental programs led to duplication of services and inefficiency in operations.

On November 28, 1972, Governor Ford issued the Governor's Reorganization Report No. 1, which set a framework of government that would be manageable, responsive, accountable, and flexible. The Executive Branch was to be organized, as of January 1, 1973, into six Program Cabinets: Consumer Protection and Regulation, Development, Education and the Arts, Human Resources, Safety and Justice, and Transportation. *By October, 1973, there were three program cabinets* (Development, Education and the Arts, and Consumer Protection and Regulation) and four additional departments (Human Resources, Justice, Natural Resources and Environmental Protection, and Transportation).

Years Between 1973 and 1995

- In 1978, a fifth department (Energy) was added.

- In 1982, the five departments received cabinet status, as did the Finance and Administration Department, the Bureau of Corrections, and the Department of Revenue. In 1984, the Labor Cabinet and Tourism Cabinet were added, to create a system of thirteen program cabinets.
- In 1989 the Energy Cabinet was abolished.
- In 1990 the Workforce Development Cabinet was created.
- In 1992 the Corrections Cabinet was merged into the Justice Cabinet.
- In 1994 the Education and Humanities Cabinet was renamed the Education, Arts, and Humanities Cabinet.

Kentucky's Executive Branch Structure in 1995

The Executive Branch of Kentucky state government is structured on a program cabinet system consisting of *twelve Program Cabinets*, each headed by a Secretary, who is appointed by the Governor. The program Cabinets and the agencies within each cabinet are designated in the statutes.

Finance and Administration Cabinet
 Revenue Cabinet
 Education, Arts, and Humanities Cabinet
 Cabinet for Human Resources
 Cabinet for Workforce Development
 Labor Cabinet
 Cabinet for Economic Development
 Tourism Cabinet
 Transportation Cabinet
 Natural Resources and Environmental Protection Cabinet
 Justice Cabinet
 Cabinet for Public Protection and Regulation

Each Secretary acts as the chairman of the related cabinet, is a member of the Governor's Cabinet, and serves as the Governor's liaison for providing direction and coordination of the various departments, boards and commissions. The General Assembly established the authority, powers, and duties of the Secretaries in the statutes.

The *Governor's General Cabinet* is composed of the heads of the constitutional and statutory administrative departments and Program Cabinet Secretaries. The Governor serves as chair of the General Cabinet, which is attached to the Office of the Governor and is not a separate department or agency.

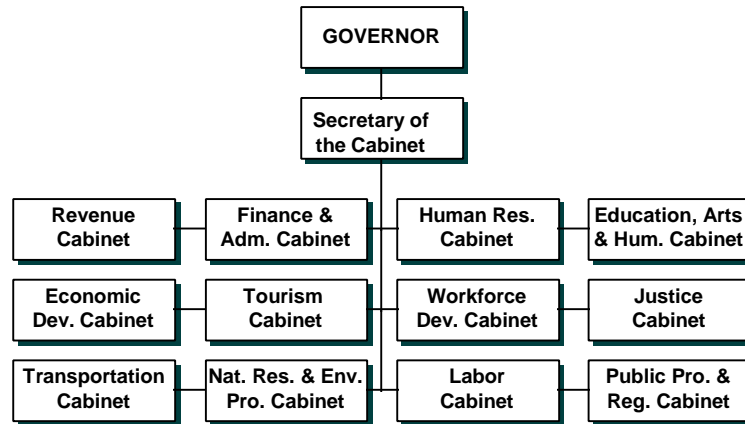
The *Governor's Executive Cabinet* consists of the Secretaries of the Program Cabinets, the Secretary of the Governor's Executive Cabinet, and the Lieutenant Governor. The Cabinet meets not less than once every two months. It is a part of the Office of the Governor and is not a separate department or agency. The members of the Cabinet are major assistants to the Governor in the administration of the state

government, assist the Governor in the proper operation of the office, and perform such other duties as the Governor may require of them.

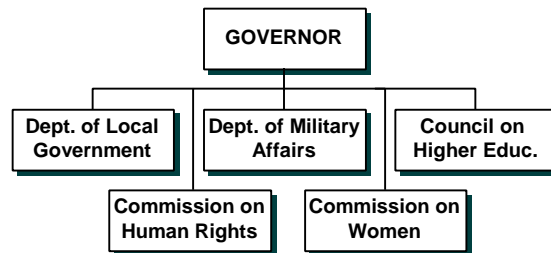
The *Secretary to the Governor's Executive Cabinet* is an agency of state government. The Secretary is appointed by the Governor and is responsible for implementing all policies of the Governor, coordinating all activities of the Governor's Executive Cabinet, and advising and consulting with the Governor on all policy matters affecting the state.

Five administrative bodies are attached to the Office of the Governor rather than a Program Cabinet: *Council on Higher Education, Department of Military Affairs, Department of Local Government, Kentucky Commission on Human Rights, and Kentucky Commission on Women*. In addition, the *Department of Personnel* is attached for administrative purposes to the Office of Secretary of the Executive Cabinet.

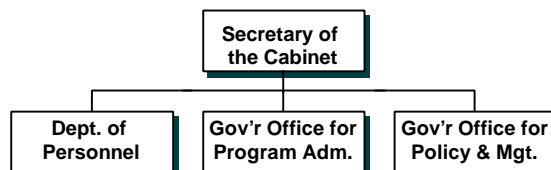
1995 TWELVE PROGRAM CABINETS



FIVE ADMINISTRATIVE BODIES ATTACHED TO THE OFFICE OF GOVERNOR



THREE ADMINISTRATIVE BODIES ATTACHED TO OFFICE OF SECRETARY OF THE CABINET



APPENDIX 3

The chief executive of Kentucky is required both by the Kentucky Constitution and by statute to sign a myriad of documents. These range from the constitutional provision that the Governor call the General Assembly into extraordinary session by proclamation to the statutory requirement that water emergencies be "declared" by the Governor.

The attached list indicates those documents that the Governor of Kentucky must sign. This list represents a search of the Kentucky Constitution and the Kentucky Revised Statutes. It does not include any regulatory requirements.

Documents for the Governor's Signature

Constitution Section	Document
36	Time and place of meeting of the General Assembly - proclamation of Governor during emergency.
55	Effective date of emergency legislation approved by Governor.
56	Governor to sign legislation.
77	Governor to grant pardons and reprieves.
80	Governor to call extraordinary sessions of the General Assembly by proclamation.
88	Signature or veto of legislation by Governor.
89	Concurrent orders and resolutions to be signed by the Governor.
145	Restoration of civil rights.
225	Armed men not to be brought into state except upon application of the Governor.
240	Pardon of person convicted of dueling.
247	Printing contracts to be approved by Governor.
256	Proclamation of Governor as to constitutional amendment.

KRS Section	Document
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- 2.130 Governor authorized and requested to issue proclamation declaring Mother's Day.
- 2.132 Governor authorized and requested to issue proclamation declaring Grandmother's Day.
- 2.140 Governor to issue proclamation declaring General Pulaski's Day on October 11.
- 2.200 Governor authorized to declare a day of mourning.
- 2.245 Governor may annually proclaim Retired Teachers' Week.
- 3.080 Approval and consent of Governor to acquisition of forest reserves.
- 3.260 Cession of legislative jurisdiction shall become effective when instrument of cession is signed by Governor.
- 3.270 Relinquishment of legislative jurisdiction by United States shall be signed by Governor.
- 12.015 Governor to assign administrative bodies to an existing department or program cabinet.
- 12.028 Governor and other elected state executive officers may submit reorganizational plans to the General Assembly.
- 12.040 Heads of departments appointed by the Governor.
- 12.050 Deputy heads of departments and division directors appointed with written approval of Governor.
- 12.080 Administrative rules to be approved by the Governor.
- 12.210 Governor's approval required for attorneys employed for legal services performed for Governor or executive department.
- 13A.190 Each executive department emergency administrative order shall be countersigned by the Governor.
- 13A.200 Administrative regulations in contemplation of a statute - Governor's approval and signature required.
- 14.020 Assistant Secretary of State may be employed with Governor's approval.

- 18A.1132 Lay-off plan requires Governor's approval.
- 18A.155 Leaves of absence, with or without pay, or reduced pay for unclassified employees, after approval by the Governor.
- 18A.190 Governor to designate "extra day" state holidays.
- 37.310 Legal representation for member of active militia - Governor's approval.
- 38.090 In case of emergency, enlistments in Kentucky National Guard may be extended, with order of the Governor.
- 38.130 Findings in courts-martial to be approved by the Governor.
- 39.407 Approval of Governor required for disaster and emergency response plan for Kentucky.
- 39.409 Governor may declare a state of emergency.
- 41.050 Suspension of the State Treasurer.
- 41.060 Governor's approval required for Assistant State Treasurer.
- 42.013 Governor's approval required for Deputy Secretary of Finance and Administration.
- 42.0245 Executive Director of the Office of Risk Management to be approved by the Governor.
- 45.251 Governor to designate the officer or employee authorized to sign advices of employment, purchase orders, etc.
- 45.340 Checks for salaries, when to be issued - Governor's approval required.
- 45A.045 Disposal of property of the state/acquisition of real property - Governor's approval required.
- 46.010 Changes in uniform system of accounting and reporting of state funds by local officers requires Governor's approval.
- 48.110 Executive branch budget recommendations to be signed by the Governor.
- 56.515 Leaseback agreements for fairgrounds improvements to be signed by the Governor.
- 56.805 Lease of space owned by a governmental unit or space required because of

	emergency - Governor's written authorization.
56.8161	Build-to-suit leases requiring Governor's approval.
57.091	State printing contracts requiring Governor's approval.
58.020	Governmental agency acquiring/developing project and issuing revenue bonds - Governor's approval.
62.200	Governor to approve surety bond of the Attorney General.
63.080	Governor may remove officers approved by the Governor.
63.100	The Governor to sign written charges setting forth the grounds for removal of a peace officer.
63.140	Governor to issue proclamation removing peace officer for losing custody of prisoner.
64.640	Compensation schedule for state employees, Governor's approval.
64.655	Compensation of physicians employed by the state, Governor's approval.
118.435	Proclamation relating to time of election of presidential electors.
118.720	Proclamation for special congressional election to be signed by the Governor.
118.730	Governor to sign writ for special election for member of the General Assembly.
134.030	Extension by proclamation of Governor of time for payment of taxes.
146.090	Soil and conservation commission, Governor's approval.
149.405	Entry into forest lands during drought - proclamation by Governor.
150.120	Seizure and sale of contraband by Commissioner of Department of Fish and Wildlife Resources, Governor's approval.
150.250	Contract for wildlife preservation and propagation, consent of the Governor.
151.200	Declaration of water emergency by the Governor.
151.240	Water resources surveys, Governor's approval.
151.580	Negotiations with federal agencies for maintenance of a navigable waterway,

	Governor's approval.
154.50-030	Industrial improvement projects, Governor's approval.
155.050	Business development corporations' articles of incorporation, Governor's approval.
164.270	Sale of real estate (University of Kentucky Experiment Station), Governor's approval.
171.340	Governor assigning articles to the Kentucky Historical Society for safekeeping.
171.381	Heritage Council employing staff, Governor's approval.
175.500	Turnpike Authority bonds to be signed by the chair (Governor).
176.020	Appointment of State Highway Engineer by Commissioner of Highways, Governor's prior approval.
176.055	Department of Highways expenditure of funds for dissemination of information, Governor's approval.
183.630	Transportation Cabinet borrowing money and issuing bonds for airport purposes, Governor's approval.
196.120	Corrections Cabinet leasing farm lands with approval of Governor (or Governor's designee).
205.290	Disbursement of revolving fund by Secretary of CHR, Governor's approval.
211.160	Service to handicapped persons furnished to Cabinet for Human Resources, written request by Governor.
216B.015	State health plan, Governor's approval.
224.43-815	Regional integrated waste facility, approval of the Governor.
247.130	Director of Division of Personnel Management of State Fair Board, prior written approval of the Governor.
258.135	Dog wardens as agents of the Commonwealth, unless approval of the Governor authorizes otherwise.
278.120	Executive director and secretary of Public Service Commission paid salaries fixed by the commission, approval by Governor.

304.25-070	Governor's authority to declare "acute emergency," Insurance Code.
315.155	Governor's removal of a member of the Kentucky Board of Pharmacy.
336.030	Secretary of Labor Cabinet, with Governor's approval, to appoint personnel and fix salaries according to law.
336.120	Cooperative agreements between Labor Cabinet and federal agencies, approval of the Governor.
350.156	Transfer of jurisdiction of restored land to state agency or sale to political subdivision, approval of Governor.
351.090	Governor to approve mine and electrical inspectors', mine safety instructors' and mine weight inspectors' bonds with surety.
431.240	Governor to fix time of execution in case of insanity, escape, or pregnancy.
433.255	Governor's proclamation offering reward for apprehension and conviction of cattle thief.
440.100	Governor's proclamation of reward for apprehension of fugitive.
440.150	KRS 440.150 to 440.420 - "Uniform Criminal Extradition Act," need for Governor's signature during process.
440.300	Warrant of the Governor (conditions of bail).

APPENDIX 4

Boards and Commissions

Executive Officers Subject to Senate Confirmation (September 1994)

- Workers' Compensation administrative law judges (KRS 342.230) -- appointed by Governor.
- ** Personnel Board (KRS 18A.050) -- appointed by Governor.
- Director, Administrative Office of the Courts (KRS 27A.050) -- appointed by Chief Justice
- ** Public Service Commission (KRS 278.050) -- appointed by Governor.
- Board of Tax Appeals (KRS 131.315) -- appointed by Governor.
- ** Board of Directors, Lottery Corporation (KRS 154A.030) -- appointed by Governor.
- Registry of Election Finance (KRS 121.110) -- appointments by Governor., Lt. Governor, Attorney General, Secretary of State.
- Kentucky Housing Corporation, private directors (KRS 198A.030) -- appointed by Governor.
- Workers' Compensation Board (KRS 342.213, 342.215) -- appointed by Governor.
- Commissioner, Dept. of Workers' Claims (KRS 342.213, 342.228) -- appointed by Governor.
- Board of Directors of the Employers' Mutual Insurance Authority (KRS 342.807 and 342.809) -- appointed by Governor.
- Kentucky Health Policy Board (KRS 216.2903) -- appointed by Governor.
- Kentucky Health Purchasing Alliance (KRS 304.17A-020) -- appointed by Governor.
- Manager, Employers' Mutual Insurance Authority (KRS 342.813) -- hired by the Board of Directors
- Commissioner of Insurance (KRS 304.2-020) - appointed by Governor.
- Parole Board (KRS 439.320) - appointed by Governor.

OFFICERS SUBJECT TO DUAL CONFIRMATION (HOUSE & SENATE):

- State Board for Elementary and Secondary Education (KRS 156.029) -- appointed by Governor.
- Governor's Higher Education Nominating Committee (KRS 164.005) -- appointed by Governor.
- Kentucky Long-Term Policy Research Center Board (KRS 7B.030) -- appointments by Governor and LRC

** Appointments made when the General Assembly is not in session require review by an interim joint legislative committee: Personnel Board: Interim Joint Committee on State Government, Lottery Corporation Board: Interim Joint Committee on State Government, Public Service Commission: Interim Joint Committee on Energy

APPENDIX 5

Personnel Appointments made by the Governor

- Constitution Section 222 Adjutant General (must be a past or present officer)
- KRS 11.040 Secretary to the Governor's Executive Cabinet, and other personnel for the Governor's office
- 11.068 Special Assistant to the Governor for Budget and Management
Executive Director, Governor's Office for Policy and Management
Executive Director, Governor's Office for Program Administration
- 12.040 Heads of Departments. Commissioners, unless otherwise noted. These include:
- In the Justice Cabinet:
- Department of State Police (appointed by Secretary, with Governor's approval - qualifications by law - see KRS 15A.020, 16.030)
 - Department of Criminal Justice Training (appointed by Secretary, with Governor's approval - see KRS 15A.020)
 - Department of Corrections (see KRS 196.010, 196.070)
- In the Education, Arts and Humanities Cabinet:
- *(Department of Education headed by Commissioner appointed by State Board for Elementary and Secondary Education - see KRS 156.148)*
 - Department for Libraries and Archives (see KRS 171.130)
 - Governor's Scholars Program (executive director appointed by the secretary, with the governor's approval - see KRS 158.796)
 - Heritage Division (director, who is also state historic preservation officer, appointed by governor from nominations of Heritage Council - see KRS 171.381. Also, employment of any staff by the Heritage Division must be approved by the governor.)
- In the Natural Resources and Environmental Protection Cabinet:
- Department for Environmental Protection (appointed by the secretary, with the governor's approval - see KRS 224.10-020)
 - Department for Natural Resources (appointed by the secretary, with the governor's approval - see KRS 224.10-020)

- Department for Surface Mining Reclamation and Enforcement (appointed by the secretary, with the governor's approval - see KRS 224.10-020)
- Department of Law (appointed by the secretary, with the governor's approval - see KRS 224.10-020)

In the Transportation Cabinet:

- Department of Highways (appointed by governor on advice of secretary - see KRS 174.015)
- Department of Vehicle Regulation (appointed by secretary, with the approval of the governor - see KRS 12.040, 174.015)
- Department of Administrative Services (appointed by governor - see KRS 12.040, 174.015)
- Department of Fiscal Management (appointed by governor - see KRS 12.040, 174.015)
- Department of Rural and Municipal Aid (appointed by governor - see KRS 12.040, 174.015)
- Office of Public Relations (executive director appointed by secretary, with governor's approval - see KRS 12.050, KRS 174.020)
- Office of General Counsel (executive director appointed by secretary, with governor's approval - see KRS 12.050, KRS 174.020)
- Office of Personnel Management (executive director appointed by secretary, with governor's approval - see KRS 12.050, KRS 174.020)
- Office of Minority Affairs (executive director appointed by secretary, with governor's approval - see KRS 12.050, KRS 174.020)
- Office of Aeronautics (executive director appointed by secretary, with governor's approval - see KRS 12.050, KRS 174.020)
- Office of Environmental Affairs (executive director appointed by secretary, with governor's approval - see KRS 12.050, KRS 174.020)
- State highway engineer (appointed by commissioner of highways, with approval of governor and secretary - qualifications by law - see KRS 176.020)

In the Cabinet for Economic Development:

- Department of Administration and Support (appointed by governor - see KRS 12.040, 154.12-222)
- Department of Job Development (appointed by governor - see KRS 12.040, 154.12-225)
- Department of Financial Incentives (appointed by governor - see KRS 12.040, 154.12-224)
- Department of Community Development (appointed by governor - see KRS 12.040, 154.12-223)

In the Public Protection and Regulation Cabinet:

- Department of Insurance (with Senate confirmation - see KRS 304.2-020)
- Department of Housing, Buildings and Construction (see KRS 227.205)
- Department of Financial Institutions (must have three years banking experience - see KRS 287.012)
- Department of Mines and Minerals (appointed by governor - qualifications by law - see KRS 351.051, 351.060, 351.070)
- Department of Public Advocacy (appointed by governor from list of nominations by Public Advocacy Commission - qualifications by law - see KRS 31.010, 31.015, 31.020, 31.030)
- Department of Alcoholic Beverage Control (appointed by governor - qualifications by law - see KRS 241.015)
- Deputy secretary (appointed by secretary, with governor's approval - see KRS 12.050, 12.260)

In the Cabinet for Human Resources:

- Department for Health Services (appointed by Secretary of Human Resources, with the approval of the Governor - see KRS 194.030)
- Department for Mental Health and Mental Retardation Services (appointed by Secretary of Human Resources, with the approval of the Governor - see KRS 194.030)
- Department for Social Services (appointed by Secretary of Human Resources, with the approval of the Governor - see KRS 194.030)
- Office of the Inspector General (appointed by Secretary of Human Resources, with the approval of the Governor - see KRS 194.030)
- Office of Policy and Budget (appointed by Secretary of Human Resources, with the approval of the Governor - see KRS 194.030)
- Office of the General Counsel (appointed by Secretary of Human Resources, with the approval of the Governor - see KRS 194.030)
- Office of the Ombudsman (appointed by the governor, on the advice of the secretary - see KRS 194.030)
- Office of Administrative Services (appointed by Secretary of Human Resources, with the approval of the Governor - see KRS 194.030)
- Department for Social Insurance (appointed by Secretary of Human Resources, with the approval of the Governor - see KRS 194.030)
- Department for Medicaid Services (appointed by Secretary of Human Resources, with the approval of the Governor - see KRS 194.030)

In the Finance and Administration Cabinet:

- Deputy Secretary (appointed by secretary, with governor's approval - see KRS 42.013)

- Office of Legal and Legislative Services (executive director appointed by secretary, with governor's approval - see KRS 42.014)
- Office of Management and Budget (executive director appointed by secretary, with governor's approval - see KRS 42.014)
- Office of Financial Management and Economic Analysis (executive director appointed by secretary, with governor's approval - see KRS 42.014)
- Office of the Controller (executive director appointed by secretary, with governor's approval - see KRS 42.014)
- Department for Administration (appointed by secretary, with governor's approval - see KRS 42.014)
- Department for Facilities Management (appointed by secretary, with governor's approval - see KRS 42.014)
- Department of Information Systems (appointed by secretary, with governor's approval - see KRS 42.029)
- Office of Risk Management (executive director appointed by secretary, with governor's approval - see KRS 42.0192)

In the Labor Cabinet:

- Department of Workplace Standards (see KRS 336.020)
- Department of Workers' Claims (see KRS 336.020)
- Office of the General Counsel (see KRS 336.015)
- Office of Administrative Services (see KRS 336.015)
- Office of Labor-Management Relations (see KRS 336.015)
- Supervisor of Apprenticeship and Training (appointed by secretary, with approval of governor - see KRS 343.020, 343.040)

In the Revenue Cabinet:

- Department of Property Taxation (appointed by the secretary, with governor's approval - see KRS 131.020)
- Department of Compliance and Taxpayer Assistance (appointed by the secretary, with governor's approval - see KRS 131.020)
- Department of Administrative Services (appointed by the secretary, with governor's approval - see KRS 131.020)
- Office of General Counsel (appointed by the secretary, with governor's approval - see KRS 131.020)

In the Tourism Cabinet:

- Department of Travel Development (appointed by Secretary, with governor's approval - see KRS 12.040, 148.522)
- Department of Parks (appointed by Secretary, with governor's approval - see KRS 12.040, 148.522)

- Department of Fish and Wildlife Resources (appointed by Secretary, with governor's approval - see KRS 12.040, 148.522)
- Office of Administrative Services (appointed by Secretary, with governor's approval - see KRS 12.040, 148.522)
- Office of Film Promotion (appointed by Secretary, with governor's approval - see KRS 12.040, 148.522)
- Office of General Counsel (appointed by Secretary, with governor's approval - see KRS 12.040, 148.522, 12.210)

In the Cabinet for Workforce Development:

- Department for Adult and Technical Education (appointed by secretary, from list submitted by State Board for Adult and Technical Education, and approved by governor - see KRS 151B.020, 151B.025)
- *(Department of Vocational Rehabilitation - appointed by secretary - see KRS 151B.020, 151B.185)*
- Department for the Blind (appointed by governor, on recommendation of secretary - see KRS 151B.020, 163.470)

12.050 *Unless otherwise provided by law, deputy heads of departments, and directors of divisions and institutions shall be appointed by the heads of the departments, and in statutory departments, the appointment of deputy heads of departments and the heads of divisions shall be with the prior written approval of the governor. In departments each division head shall report to the head of the department to which the division is assigned.*

12.255 Secretaries of program cabinets. The governor appoints a secretary for each of the following program cabinets (see KRS 12.250, 12.255):

- Justice Cabinet (see KRS Chapter 15A)
- Education, Arts and Humanities Cabinet
- Natural Resources and Environmental Protection Cabinet (see KRS Chapters 146, 224)
- Transportation Cabinet (see KRS Chapter 174)
- Public Protection and Regulation Cabinet
- Cabinet for Human Resources (see KRS Chapter 194)
- Finance and Administration Cabinet (see KRS Chapter 42)
- Tourism Cabinet (see KRS 148.522-148.525)
- Revenue Cabinet (see KRS Chapter 131)
- Labor Cabinet (see KRS Chapter 336)
- Cabinet for Workforce Development (see KRS Chapter 151B)

- Cabinet for Economic Development (secretary to be appointed by governor from nominations from Kentucky Economic Development Partnership board - see KRS 154.10-040c)
- 14.020 Assistant Secretary of State (appointed by Secretary of State, with governor's approval)
- 14.025 Directors of divisions of administration and corporations within the Department of State appointed by the Secretary of State, with the governor's approval (see KRS 12.050)
- 18A.015 Department of Personnel
- Commissioner appointed by governor - qualifications by law (see KRS 18A.015, 18A.025, 18A.030)
 - Division heads and principal assistants in Department of Personnel appointed by commissioner, with approval of governor (see KRS 12.050, 18A.025)
- 36.130 Department of Military Affairs - Adjutant General appoints officers and other personnel, with the approval of the governor
- 37.200 Kentucky Active Militia - necessary officers appointed and commissioned by governor
- 147A.002 Department of Local Government
- Commissioner appointed by governor (see KRS 12.040)
 - Deputies, assistants, attorneys, and other employees in the Department of Local Government appointed by commissioner, with approval of governor
- 148.011 Department of Parks
- Commissioner appointed by governor
 - Division directors appointed by secretary, with governor's approval
- 153.600 Poet laureate or writer laureate appointed by governor for two-year term
- 154A.030 Kentucky Lottery Corporation
- President appointed by governor, subject to confirmation by Board of Directors
- 171.130 Department for Libraries and Archives

	Commissioner, with title of State Librarian, appointed by governor
230.230	Kentucky Racing Commission
	Executive Director of the Kentucky Racing Commission appointed by governor (see KRS 230.225)
277.270	Railroad policemen appointed and commissioned by governor
344.510	Commission on Women
	Executive Director of Commission on Women appointed by governor

APPENDIX 6

Executive Department Personnel

KRS Chapter 18A establishes a civil service system by creating a Department of Personnel, headed by a commissioner who is appointed by the Governor, and attaches it to the Office of the Secretary of the Governor's Cabinet. This system covers most Executive Department employees.

Further, KRS Chapter 18A, creates a personnel board, which functions independently of the Governor's Office. It consists of seven members, five appointed by the Governor and subject to Senate confirmation, and two elected by covered employees. All members serve four-year terms, unless removed for cause by the Governor. The board's primary function is to hear and rule on appeals filed by employees.

Both the department and the board are empowered to promulgate administrative regulations and to hire full-time staff. Executive Department employees are granted specific benefits by KRS Chapter 18A. The attached chart lists these benefits.

APPENDIX 7

Kentucky Congressional Delegation

United States Senator Wendell H. Ford Senate Minority Whip

Democrat
1998

Began Service 1974

Re-election Year:

SR-173A Russell Senate Office Building
Washington, DC 20510-1701
(202) 224-4212

Born: September 8, 1924
Home: Owensboro
Education: U. of Kentucky

KEY STAFF AIDES - Name, Position, Legislative Responsibility

Rob Mangas	Legislative Director	Energy, Finance
Robert Paxton	Administrative Director Legislative Assistant	Veterans Affairs
Matt Rapp Resources,	Legislative Assistant	Budget, Labor, Human Judiciary, Indian Affairs
Kimberly Keeney Services; Public	Legislative Assistant	Foreign Affairs; Armed Environment, Intelligence, Works
Malicia Reed Kromer	Legislative Assistant	Banking, Housing, Urban Small Business, Agriculture
Martha Moloney Affairs	Executive Assistant	Commerce, Governmental
Mark L. Day	Press Secretary	
Meg Conlon	Communications Director	
Missy Smith	Executive Secretary	
Alison Berger	Appointments Secretary	

COMMITTEE ASSIGNMENTS - Committee, Position, Subcommittees

Commerce, Science, and Transportation: Aviation, *Ranking Democrat*;
Communications; Consumer Affairs; Foreign Commerce; Tourism

Energy and Natural Resources: Energy Research and Development, *Ranking Democrat*;
Energy Production and Regulation

Rules and Administration, *Ranking Democrat*: no subcommittees

Joint Printing, *Ranking Democrat*: no subcommittees

STATE OFFICES:

1072 New Federal Building, 600 Federal Place, Louisville, KY 40202 (502) 582-6251

Suite 204, 343 Waller Ave., Lexington, KY 40504 (606) 233-2484

305 Federal Building, Frederica St., Owensboro, KY 42301 (502) 685-5158

19 US Post Office & Courthouse, Covington, KY 41011 (606) 491-7929

United States Senator Mitch McConnell

Republican
1996

Began Service 1985

Re-election year:

SR-120 Russell Senate Office Building
Washington, DC 20510-1702
(202) 224-2541
BA;

Born: February 20, 1942
Home: Louisville
Education: U. of Louisville,
U. of Kentucky, JD

KEY STAFF AIDES - Name, Position, Legislative Responsibility

Steven Law	Administrative Assistant Legislative Director	Campaign Finance; Ethics
Robin Cleveland	Legislative Assistant	Appropriations; Defense; Intelligence; Veterans
Robin Bowen	Legislative Assistant	Education; Health Care; Welfare Reform
David J. Hovermale	Legislative Assistant	Agriculture
Melissa Patack	Legislative Assistant	Ethics; Judiciary;
Labor; Tort Reform		
Tamara Somerville	Legislative Assistant	Rules; Taxes; Campaign
Finance		
Scott O'Malia	Legislative Assistant	Banking; Budget; Energy;
		Environment; Transportation
Mildred Cooper Nelson	Communications Director	
Mary Suit Jones	Executive Assistant	
Kyle Simmons	Press Secretary	
Susan Oursler	Personal Secretary	

COMMITTEE ASSIGNMENTS - Committee, Position, Subcommittees

Agriculture, Nutrition, and Forestry: Research, Nutrition, and General Legislation,
Chairman; Marketing, Inspection, and Product Promotion

Appropriations: Foreign Operations, *Chairman*; Commerce, Justice, State, the Judiciary, and Related Agencies; Energy and Water Development; Agriculture, Rural Development, and Related Agencies

Environment and Public Works: Clean Air, Wetlands, Private Property, and Nuclear Safety; Superfund, Waste Control, and Risk Assessment

Rules and Administration: no subcommittees

Ethics: *Chairman*; no subcommittees

STATE OFFICES:

601 W. Broadway, Suite 630, Louisville, KY 40202 (502) 582-6304

602 Broadway, Paducah, KY 42001 (502) 442-4554

241 Main St., Bowling Green, KY 42101 (502) 781-1673

Suite 210, 155 E. Main St., Lexington, KY 40508 (606) 252-1781

Suite 345, 1885 Dixie Hwy, Ft. Wright, KY 41011 (606) 578-0188

Suite N, 1501 S. Main St., London, KY 40741 (606) 864-2026

United States Representative Ed Whitfield

Republican

1st District

Began Service 1995

1541 Longworth House Office Building
Washington, DC 20515-1701
(202) 225-3115
BS, JD

Born: May 25, 1943
Home: Hopkinsville
Education: U. of Kentucky,

KEY STAFF AIDES - Name, Position, Legislative Responsibility

Terry Carmack Chief of Staff

Karen Long Legislative Director Commerce; Appropriations;
Banking; National Security; Rules

Erin Fogarty Legislative Assistant Commerce; Ways and
Means; International Relations;
Education; Labor; Resources; Science
and Technology; Ethics

Rob Freeman Legislative Assistant Transportation; Agriculture;
Veterans Systems Manager

Juliane Carter Legislative Correspondent Budget; Judiciary; Small
Business; Government Reform; House
Oversight

Michael Klein Press Secretary

Lisa Metheny Executive Assistant/Appointments

COMMITTEE ASSIGNMENTS - Committee, Position, Subcommittees

Commerce: Health and the Environment

STATE OFFICES:

1st Floor, 317 W. 9th St., Hopkinsville, KY 42240 (502) 885-8079

100 Fountain Ave., Suite 104, Paducah, KY 42001 (502) 442-6901

Room 307, Municipal Building, Henderson, KY 42420
4180
Monroe County Courthouse, Tompkinsville, KY 42167
9509

(502) 826-

(502) 487-

United States Representative Ron Lewis

Republican

2nd District

Began Service 1994

412 Cannon House Office Building
Washington, DC 20515-1702
(202) 225-3501
BA;

Born: September 14, 1946
Home: Cecilia
Education: U. of Kentucky,
Morehead St. U., MA

KEY STAFF AIDES - Name, Position, Legislative Responsibility

Greg Van Tatenhove Chief of Staff

Helen J. McCarthy Legislative Director All legislative areas

John McGary Communications Director

Jane Riddleberger Scheduler

COMMITTEE ASSIGNMENTS - Committee, Position, Subcommittees

Agriculture: Risk Management and Specialty Crops; Resource Conservation; Research and Forestry

National Security: Military Personnel; Military Procurement

STATE OFFICES:

Room B-17, Federal Building, 423 Frederica St., Owensboro, KY 42301 (502) 688-8858

Room B-20, Federal Building, 241 E. Main St., Bowling Green, KY 42101 (502) 842-9896

312 N. Mulberry St., Elizabethtown, KY 42701 (502) 765-4360

United States Representative Mike Ward

Democrat

3rd District

Began Service 1995

1032 Longworth House Office Building
Washington, DC 20515-1703
(202) 225-5401
BS

Born: January 7, 1951
Home: Louisville
Education: U. of Louisville,

KEY STAFF AIDES - Name, Position, Legislative Responsibility

Charles B. Mattingly Chief of Staff

Stacy Jarboe Legislative Director
Welfare,
Human

Women's Issues, Children,
Defense, Energy, Science,
Services

Christian Patterson Legislative Assistant

Agriculture, Business,
Telecommunications, Crime

David Triplett Legislative Assistant
Environment,

Budget, Education,
Labor, Seniors

Michael Long Legislative Assistant

Appropriations, Housing,
Immigration, Transportation

Linda West Executive Assistant

COMMITTEE ASSIGNMENTS - Committee, Position, Subcommittees

National Security - Military Personnel, Military Installations and Facilities

Science - Energy and Environment; Space and Aeronautics

STATE OFFICES:

Room 216, 600 Martin Luther King Jr. Pl., Louisville, KY 40202
5129

(502) 582-

United States Representative Jim Bunning

Republican

4th District

Began Service 1987

2437 Longworth House Office Building
Washington, DC 20515-1704
(202) 225-3465

Born: October 23, 1931
Home: Southgate
Education: Xavier U., BS

KEY STAFF AIDES - Name, Position, Legislative Responsibility

Jon Deuser Oversight;	Legislative Director	Ways and Means; House Baseball
Jim Musser Revenue; Banking and Oversight	Senior Staff Counsel	Budget; Ways and Means; International Relations; Financial Services; Judiciary; Government Reform and
Steve Patterson Commerce; Infrastructure;	Legislative Assistant	Ways and Means; Defense; National Security; Transportation; Energy; Agriculture; Natural Resources
Michael Haywood Immigration; Prayer in Educational Reform and	Legislative Assistant	Veterans; Judiciary; Abortion; Gun Control; School; Economic and Opportunity; Science and Technology; Small Business; Housing; Government Oversight
David A. York	Chief of Staff; Press Secretary	
Joan L. Manning	Executive Secretary	

COMMITTEE ASSIGNMENTS - Committee, Position, Subcommittees

Ways and Means - Social Security, *Chairman*

Budget - no subcommittees

Standard of Official Conduct - no subcommittees

STATE OFFICES:

Suite 160, 1717 Dixie Hwy., Ft. Wright, KY 41011

(606) 341-2602

Suite 236, Federal Building, 1405 Greenup Ave., Ashland, KY 41101

(606) 325-9898

Suite 219, 704 W. Jefferson St., LaGrange, KY 40031

(502) 222-2188

United States Representative Harold Rogers

Republican

5th District

Began Service 1981

2468 Rayburn House Office Building
1937

Washington, DC 20515-1705
(202) 225-4601
BA, JD

Born: December 31,

Home: Somerset

Education: U. of Kentucky,

KEY STAFF AIDES - Name, Position, Legislative Responsibility

Jennifer Miller	Legislative Director	Appropriations; International Relations; Transportation
Trent Duffy	Legislative Assistant	Appropriations; Taxes;
		Banking;
		Energy; Infrastructure
Sissy Presnell	Legislative Assistant	Health; Education;
Agriculture;		Labor; Natural Resources
Clinton C. Blair	Legislative Correspondent	Post Office/Civil Service;
Veterans		
Kevin Fromer	Administrative Assistant	
Frank Maisano	Press Secretary	
Mary Miller	Appointments Secretary	
Melinda Steinmetz	Staff Assistant	

COMMITTEE ASSIGNMENTS - Committee, Position, Subcommittees

Appropriations: Energy and Water Development; Commerce, Justice, State, the Judiciary, and Related Agencies, *Chairman*; Transportation and Related Agencies

STATE OFFICES:

203 E. Mt. Vernon St., Somerset, KY 42501
806 Hambley Blvd., Pikeville, KY 41501
601 Main St., Hazard, KY 41701

(606) 679-8346
(606) 432-4388
(606) 439-0794

United States Representative Scotty Baesler

Democrat

6th District

Began Service 1993

113 Cannon House Office Building
Washington, DC 20515-1706
(202) 225-4706
BA, JD

Born: July 9, 1941
Home: Lexington
Education: U. of Kentucky,

KEY STAFF AIDES - Name, Position, Legislative Responsibility

Chuck Atkins Chief of Staff

Cheryl Brownell Legislative Director
Social

Small

Families; Farm

Care; Rural

Budget; Taxes; Banking;

Security; Pensions; Energy;
Commerce; Health Care;

Business; Women and

Bill; Post Office; Health

Development

Lisa Tomlinson Legislative Assistant
Reform;

Transportation;

Space,

Education; Labor; Welfare

Public Works;

Natural Resources; Science,
and Technology

John B. Townsend Legislative Assistant

Director

Civil

Agriculture; Veterans; Armed
Services; Communications

Foreign Affairs; Human and

Rights; Criminal Justice;
Communications

Sharyn Alexander Scheduler

Colleen Monahan Staff Assistant

Constituent Services

COMMITTEE ASSIGNMENTS - Committee, Position, Subcommittees

Agriculture: Department Operations; Nutrition and Foreign Agriculture; Risk Management and Specialty Crops

Veterans Affairs: Hospitals and Health Care

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401 W. Main St., Suite 318, Lexington, KY 40507 (606) 253-1124

315 W. Main St., 3rd Floor,
Franklin County Courthouse Annex, Frankfort, KY 40601 (502) 875-1512

APPENDIX 8

Selected Publications of the National Governors' Association

Governing

An Action Agenda to Redesign State Government (1993)
Becoming Governor: The Transition and First Year (1992)
Managing the Policy Agenda: Organizational Options for Governors (1992)
Governors on Governing (1990)
Organizing the Transition Team (1990)
Transition and the New Governor: A Critical Overview (1982)

State Budgeting

Financing State Government in the 1990s (February, 1994)
The Value Choices in State and Local Spending: A Workbook for State Policymakers (June, 1994)
Restructuring and Innovations in State Management: Some Recent Examples (1993)

State Policy

Building Results: New Tools for an Age of Discovery in Government (June, 1994)
Scenarios of State Government in the Year 2010: Thinking About the Future (1993)
Strategic Policy for the Nation's Governors: Organizing for Effective Policy Development and Implementation (November, 1990)

APPENDIX 9

Suggested Readings

Transition

Bowman, James S. and Ronald L. Monet. *Gubernatorial and Presidential Transitions: An Annotated Bibliography and Resource Guide*. New York and London: Garland Publishing, Inc., 1988.

Bowman, James S. *A Running Start: A Chronicle of the 1986-1987 Florida Gubernatorial Transition*. Tallahassee: Florida State University, 1989.

Council of State Governments. *Book of the States, 1994-95 Edition*. Lexington, Kentucky, 1994.

Gable, Richard W. *Changing Governors: The 1982-83 Transition in California*. Davis: Institute of Governmental Affairs, University of California. 1983.

Herzik, Mary D. and Eric B. Herzik and James S. Granato. "Developing Executive Roles: Gubernatorial Concerns in the Transition Period," from *Gubernatorial Leadership and State Policy*, Eric B. Herzik and Brent W. Brown (eds), New York: Greenwood Press, 1991.

Huefner, Robert P. and Michael L. Nash. "The Politics of Leadership: The 1982-83 Gubernatorial Transitions." *State Government*, Vol. 57, No. 3, pp. 67-72, 1984.

National Governors' Association. See Appendix 8 for listings of selected publications.

Van Horn, Carl E. *The State of the States*, Washington, D.C.: Congressional Quarterly, 1993. See Chapter 5, "Being Governor," by Thad L. Beyle.

Kentucky

Breathitt, Edward T. *The Public Papers of Governor Edward T. Breathitt, 1963-1967*. Lexington: University Press of Kentucky, 1984.

Combs, Bert T. *The Public Papers of Bert T. Combs, 1959-1963*. Lexington: University Press of Kentucky, 1979.

Commonwealth of Kentucky. *1994-1996 Budget of the Commonwealth, Vol. I & Vol. II*, 1994.

- Executive Department. *Governor's Executive Management Commission: Findings and Recommendations*. Vol. II, Frankfort, Ky., 1980.
- Ford, Wendell H. *The Public Papers of Governor Wendell H. Ford, 1971-84*. Lexington: University Press of Kentucky, 1978.
- Goldstein, Joel Ed. *Kentucky Government and Politics*. College Town Press, 1984.
- Governor's Commission on Quality and Efficiency, *Wakeup Call for Kentucky*. Frankfort, 1993.
- Harrison, Lowell. *Kentucky's Governors 1792-1985*. Lexington: University Press of Kentucky, 1985.
- Jewell, Malcolm E. and Everett W. Cunningham. *Kentucky Politics*. Lexington: University Press of Kentucky, 1968.
- Kentucky Chamber of Commerce. *Project 21 Scorecard*. Frankfort, 1991.
- Kentucky Long-Term Policy Research Center. *The Context of Change: Trends, Innovations, and Forces Affecting Kentucky's Future*. Frankfort, 1994.
- Legislative Research Commission. *A Citizen's Guide to the Kentucky Constitution*. Research Report No. 137, June 1993.
- Legislative Research Commission. *The Executive Branch of Kentucky State Government*. Informational Bulletin No. 171, December 1994.
- Legislative Research Commission, *Inside the Kentucky General Assembly*. April 1993.
- Legislative Research Commission. *A Guide to the Kentucky Education Reform Act of 1990*. October 1994.
- Legislative Research Commission. *Report of the Special Commission on Constitutional Review*. Research Report No. 226, September 1987.
- Legislative Research Commission. *Report of the Commission on Kentucky's Government*. Research Report No. 254, March 1991.
- Miller, Penny. *Kentucky Politics and Government: Do We Stand United?* Lincoln: University of Nebraska Press, 1994.
- Nunn, Louie B. *The Public Papers of Governor Louie B. Nunn, 1967-1971*. Lexington: University Press of Kentucky, 1975.

Office for Policy Administration. *State Government Organizational Management Analysis*. Frankfort: Office of the Governor, 1983.

Pearce, John Ed. *Divide and Dissent: Kentucky Politics 1930-1963*. Lexington: University Press of Kentucky, 1987.

Schacter, Harry W. *Kentucky on the March*, New York: Harper and Brothers, 1949.

Leadership

(NOTE: The following list was compiled from selections reviewed in *Future Survey Annual 1994*, of the World Future Society, in Section XVI, Methods to Shape the Future.)

Barker, Joel Arthur. *Future Edge: Discovering the New Paradigms of Success*. NY: William Morrow & Co., January 1992.

Bryson, John M. *Leadership for the Common Good: Tackling Public Problems in a Shared-Power World*. San Francisco: Jossey-Bass Publishers, November 1992.

Kanter, Rosabeth Moss. *The Long View*. Harvard Business Review, 70:5, September-October 1992, p. 9-11.

Lynch, Richard. *Lead! How Public and Nonprofit Managers Can Bring Out the Best in Themselves and Their Organizations*. San Francisco: Jossey-Bass Publishers, January 1993.

Morrison, Ann M. *The New Leaders: Guidelines on Leadership Diversity in America*. San Francisco, CA: Jossey-Bass Publishers, August 1992.

Nanus, Burt. *Visionary Leadership: Creating a Compelling Sense of Direction for Your Organization*. San Francisco: Jossey-Bass Publishers, September 1992.

Wilson, Ian. *Realizing the Power of Strategic Vision*. "Long Range Planning," 25:5, October 1992, p. 18-28.

APPENDIX 10

Executive Summary of *The Context of Change: Trends, Innovations, and Forces Affecting Kentucky's Future.*

This inaugural biennial trends report of the Kentucky Long-Term Policy Research Center examines three broad topics. First, we outline some of the demographic trends that are likely to influence the people and the families who will form the communities of tomorrow. Secondly, we turn to an array of changes that are shifting the economic floor beneath Kentuckians and increasing the difficulty and the complexity of the pursuit of prosperity. Finally, we discuss some of the many cornerstones that provide an effective foundation for progress, including both physical infrastructure and increasingly important human potential.

THE COMMUNITY OF TOMORROW

Demographic trends that have gathered momentum over the past two decades suggest the communities of the 21st Century will look quite different from those of today. They will have adapted in many ways to meet the needs of more older citizens, fewer young people, and continued change in family structures. While most observers agree that families will survive the present test of their limits and remain central to our culture, the fundamental reshaping of the family will likely persist.

The People of Kentucky

While surprising new expansion of Kentucky's population has occurred in the 1990s, demographers do not expect it to persist. Instead, underlying trends suggest that Kentucky will experience only moderate population growth in the years to come, in spite of the high rate of growth it has enjoyed in the early 1990s. The stagnation of Kentucky's population during the 1980s, which is largely attributable to substantial out migration, particularly among young people, poses questions about the viability of Kentucky's future labor force.

The homogeneity of Kentucky's population has also persisted in recent years, a trend that may not bode well for the almost certain advance of globalization of commerce, which will demand high levels of comfort with diverse peoples and cultures. States that are perceived as economically or socially inhospitable to minorities may risk accelerated decline in their minority populations and, in turn, undermine their competitiveness.

In an era of increasing urbanization, attended by problems of congestion, crime and pollution, Kentucky is expected to retain its essentially rural character for some time

to come and, as a consequence, delay or avoid the arrival of some of the problems urbanization brings. The beauty and the quality of life this rural strength enables may hold enormous future appeal for those in flight from urban congestion and crime.

Changing Family Structures

The families of our nation and our state are changing. Social and economic forces have not only influenced their shape but how and when they are formed. In Kentucky, we marry — and divorce — more often than the nation as a whole, multiplying uncertainty in the lives of children. The increased incidence of divorce and a growing number of births to unmarried women mean that more children live in households headed by single parents, who are much more likely to be poor. As more nuclear families have fragmented, the number of non-family households, those occupied by singles or unrelated individuals, has risen dramatically.

A combination of factors is influencing our population and the family structures it forms, but none is more pronounced than the state's sharply declining birth rate. Contrary to stereotypes, Kentucky registered the 49th lowest birth rate in the nation during the 1980s, signaling the strong possibility of continued population decline. The natural extension of that trend was a sharp decline in the state's population of young people under age 18. Only two states lost a greater percentage of young people than Kentucky.

As more of us choose to live alone and families continue to fragment, the number of households has risen while the number of people living in them has declined. While household formation continues to outpace population growth, the trend actually peaked in the 1970s. Nevertheless, the rapid expansion of households has triggered widespread, if belated, attention to the implications for families, the environment and a fraying community fabric.

Older and Wiser?

Perhaps the most striking population trend, one that will persist and deepen over the first half of the 21st Century, is the aging of our population, revealed in an emerging middle-age population bulge, the result of a decrease in the number of Kentucky children and an increase in those in their middle and older years. The implications for the future of Kentucky, as well as the nation as a whole, are among the most far reaching that lie before us. This fundamental change in our population, which is occurring at a faster pace in Kentucky than in most states, will profoundly influence the way we work and live.

Because older Kentuckians are disproportionately poor, the aging of our population may be attended by expanded poverty. Rural states like Kentucky are often strained to provide much needed support services for older people, for which the demand is certain to expand.

Generations at Odds

Unless wisely countered with thoughtful public policy, converging economic and demographic trends may exacerbate tensions between the generations in the years to come. The conflicting economic and social interests of young and old are pushing the issue of generational equity, the distribution of public resources in terms of need rather than age, higher on the public agenda, in spite of the attendant political risk.

THE PURSUIT OF PROSPERITY

In recent years, virtually unlimited global competition has placed extraordinary demands on business and industry and, in turn, on workers, who have scrambled to build higher quality products, in less time, at a lower cost. At the same time, the long heralded Information Age has arrived and exerted a powerful influence on the way we work and live. While some of the changes these forces are propelling promise to liberate and empower workers, others threaten to diminish the ability of many to participate in the economic and social mainstream of this nation. The transformation now underway is believed to be structural and systemic in nature; it will exert significant influence on the bedrock industries of Kentucky. Few doubt that it will be attended by pain, as well as the exhilaration of discovery and enlightenment.

Changing Paradigms

The extraordinary era in which we live is characterized by rapid change driven by technology and our ongoing struggle to harness it and adapt to the consequences of its broad-based application. It has abbreviated the distance between points around the world, advanced global commerce, and forced a reckoning with assumptions about the organization and conduct of work. At the same time, it has raised the skills ante to new, ever rising heights that are making flexibility and lifelong education a growing imperative. While painful to those left behind, technology is accelerating the rate of change and creating an explosion of opportunities for highly skilled workers and innovative firms.

Today, a seemingly limitless world marketplace is challenging Kentucky firms and their employees to meet rising product and performance goals. However, if Kentucky is to make the most of these opportunities, it must explore ways to improve the ability of its organizations, its managers and its workforce.

A Shifting Economic Floor

Historically, Kentucky's economy has depended heavily on the core industries of mining, agriculture, and manufacturing, each of which is being transformed by a combination of forces. While mining and agriculture remain vital to the economic well-being of the state, both industries face uncertain long-term prospects. Likewise, in spite of emerging strength, manufacturing employment is predicted to decline over the long-term. As a consequence of these anticipated changes, the Commonwealth's future economic prosperity will hinge on its ability to successfully negotiate a shifting economic

landscape, to anticipate coming changes and skillfully manage them. Without Information Age prowess, for example, Kentucky's future will likely yield more of the same persistent poverty that has for too long defined who we are.

While Kentucky's coal industry has logged record production levels in recent years, employment in this high-wage industry has fallen sharply, largely as a consequence of technological advancements and the consolidation or closure of mine operations. Over the long term, rising environmentalism and the implementation of current and anticipated regulations complicate the utilization of Kentucky's coal reserve. Moreover, some studies suggest that mining may be approaching its historic peak in Kentucky, one that could be followed by declining production.

In decline by several measures, including employment, farm population and cultivated land, Kentucky's farm economy nevertheless enjoys record output, as farming methods and equipment advance productivity. However, the vulnerability of its key crop — tobacco — has created significant uncertainty. The future of burley tobacco, which is being influenced by declining use and increased imports of leaf, presents the most significant threat to farming and farmers in the state.

Predicted to decline nationally in coming years, manufacturing nevertheless is making dramatic gains in Kentucky's economy, outpacing the nation in terms of jobs and gross product. Kentucky produces a diverse range of manufacturing products; however, the predominance of small, often insufficiently capitalized firms, and an inadequate base of intellectual capital, skilled workers, and technological know-how may inhibit our ability to compete in the global marketplace. The advancement of the automobile industry in Kentucky, however, bodes well for the future.

Kentucky hardwoods are prominent in the U.S. marketplace, but the virtual absence of an important second tier of value-added wood products industries prevents the state from capturing the full benefit of this abundant resource. Approximately 70 to 75 percent of the 700 million board feet of grade lumber cut here annually is shipped out of state in an unprocessed state. Development of the enormous potential the secondary wood industry holds for Kentucky's long-term economic prospects will require investment in expertise, entrepreneurial initiatives, and careful attention to the cultivation of an ethic of stewardship that will help sustain this abundant resource.

As our population ages, the store of historical sites in Kentucky and the state's ready accessibility are expected to increase its appeal to tourists, magnifying the economic benefit of tourism to Kentucky. While it is viewed as a viable, sustainable option for the development of rural communities, tourism has not proven to be an antidote to poverty. The seasonal and marginal quality of the jobs it creates often do not produce returns in the lives of those who work in this industry. Successful development strategies should maximize local involvement in order to increase opportunities for Kentuckians to own and operate businesses and create important, complementary industries to counter the cyclical nature of tourism.

Small enterprises are expected to be the engine of our future economy, fueled by expertise, capital and a broad-based commitment to their development. As the small-business sector of the economy continues to create the lion's share of new opportunities, the importance of enabling entrepreneurs rises. Much of the state's future success in cultivating small enterprises and the opportunities they will yield hinges on the availability of expertise — managerial and technical — and capital.

While human resources will be critical to Kentucky's ability to use and apply technology to create opportunities, existent and expanding infrastructure, particularly Kentucky's planned Information Superhighway, may offer points of leverage. They include the possibility of exploiting new opportunities in communications, pharmaceuticals, biotechnology, environmental remediation, and advanced materials.

Chasing the Dream

While we are making previously unimagined gains in technology, product development and the management of human resources, the gap between those who have and those who do not has not narrowed. For many workers, the American Dream has become more elusive and the pursuit of it a frantic chase. The employer-employee contract is becoming more tenuous, as firms meet global competition with fewer, less costly employees, many of whom work part-time or on a contingency basis. Wages have stagnated and, at the same time, employee benefit packages are shrinking or disappearing. The notion of lifetime employment is now widely viewed as an anachronism, and hard work is no longer an assurance of anything. Pressed to close widening economic gaps, families are experiencing an increasing poverty of time and money that is affecting both their viability and stability. Many Americans work but remain poor.

In Kentucky, rising levels of contingency employment, the ascendance of low-wage industries, a reciprocal decline of high-wage industries, low labor force participation, and the types and the mix of jobs industry is bringing to the state are influencing wage levels and opportunities. As a result, the percentage of poor working families in Kentucky grew during the 1980s and continued to exceed that of the nation as whole.

Increasingly, economists view deepening disadvantage as a problem with broad-based implications. Falling U.S. wages have been accompanied by the rise of income inequality and what many analysts believe is a shrinking middle class. In Kentucky, income inequality became more pronounced over the most recent decade. The impoverishment and decline that inequality fosters is believed to discourage investment and, in turn, adversely affect productivity and the broad-based benefits it yields.

As more workers face growing uncertainty fueled by stagnant wages, diminishing benefits, continued layoffs, and the prospect of rising workloads and work hours, the critical relationship between worker and employer is being undermined. Because the quality of that relationship figures prominently in productivity and, hence, in the future of the American economy, the importance of forging joint worker-manager efforts to address emerging problems rises on the policymaking landscape.

THE FOUNDATION FOR PROGRESS

The importance of strengthening the foundation that will support Kentucky's future progress cannot be overstated. The skeleton of a sound physical infrastructure must be matched with the realization of our fullest human potential if we are to create and capture opportunity in the coming years. We will be challenged to repair, fine-tune, maintain and expand Kentucky's foundation for progress to ready our state for the certain and dramatic changes ahead.

Fiscal Health

To manage the trends affecting the state and seize the many opportunities on the horizon, Kentucky must put its limited resources to work efficiently and effectively. Kentucky's state and local spending mix, its tax structure, its debt position and financial resources must form a cohesive unit, if we are to harness important technological, economic, and demographic changes influencing the future.

Kentucky's fiscal structure is characterized by a heavy concentration of taxing and spending at the state level, more so than in other states. Consequently, the people of Kentucky rely heavily on state government to provide services, financing, infrastructure and leadership on matters that are traditionally the obligations or prerogatives of local governments in other states. Presently, the state's debt position is manageable and sustainable, but its platter of responsibilities, as well as the cost of major programs, continues to expand. Moreover, the need to plan more effectively for the long term is evident.

Despite the concentration of fiscal responsibilities at the state level, the finances of counties, cities and special districts are extremely important. Indeed, local governments are responsible for a quarter of total state and local expenditures in Kentucky. A burden on city and county budgets which has received particular scrutiny in recent years is unfunded federal mandates, which are exerting increasing fiscal pressure on local governments.

While the focus of considerable debate, the question of Kentucky's tax competitiveness remains unanswered. Research efforts in the past year have made significant contributions in addressing these issues and in establishing priorities among tax goals, but more detailed information about the state's tax structure and its effects on state revenues is needed.

Transportation

A quality transportation system will be critical to Kentucky's future prosperity. Highways, the quality of which is improving even as use expands, are the traditional backbone of this system, and they will continue to be so in coming years. However, a number of forces now at work will expand the role of other modes of transportation and dramatically alter the transportation planning process. Federal legislation, environmental

considerations, competition for business and technological advances will affect the way projects are planned, how they are funded and even the modes chosen to deliver needed services.

Evidence of change can already be seen in the planning process here in Kentucky, which now emphasizes preservation and management of the existing system; enhancement of safety and convenience; promotion of economic development; and, coordination of the planning process. How well Kentucky meets these four goals will determine the quality and usefulness of the state's transportation system in the coming years.

Environmental Integrity

While we have prospered greatly from the immense wealth of Kentucky's natural resources, we have often done so in the interest of short-term capital gain — bequeathing long-term environmental consequences to future generations at immeasurable cost. While Kentucky has made significant progress in restoring health to its environment, much more remains to be done to reverse the negative impacts of pollution and prevent costly and destructive future problems. Significant evidence suggests that in doing so, we will strengthen the foundation for progress and possibly expand opportunity and income.

The quality of Kentucky's water continues to improve, but substantial investment in infrastructure will be required in coming years, to safely treat wastewater and extend public drinking water to more Kentuckians. Strong, consistent, and targeted enforcement of environmental regulations, which has enabled Kentucky to make real gains in the restoration of its water resources, is believed to be critical to maintaining the progress that has been achieved. New approaches to managing pollution are likely to focus on the source, rather than the outcome, of water pollution.

Kentucky's air quality has improved dramatically since the enactment of the federal Clean Air Act in 1970, the provisions of which have led to significant reductions in levels of harmful pollutants, such as lead and carbon monoxide. When fully enforced, the federal Clean Air Act Amendments of 1990 are expected to dramatically reduce air pollution, but they will have an as yet undetermined impact on the state's coal industry.

Timely legislation has checked the influx of out-of-state garbage, but management of Kentucky's solid waste continues to challenge policymakers at every level. Programs to promote waste reduction and recycling will likely increase, as landfill disposal costs rise and more markets for recyclables become available.

New Prescriptions for Health Care

Remarkable changes, driven primarily by advancing technology and rapidly rising health care costs, are underway in our thinking about health and health care. Increasingly, the health care emphasis will shift to health promotion and disease prevention as a means of making health care more accessible and affordable while retaining quality. Secondly, a

higher level of cooperation among individuals, private service providers and government is expected to emerge. Advanced applications of technology and more active involvement of communities will overarch these trends, as we attempt to create a more manageable, useful and equitable health care system.

Effective primary care and preventive and educational services for all Kentuckians offer perhaps the most useful tools for managing preventable illnesses and containing medical care costs. By a number of measures, Kentuckians are among the least healthy people in the nation, presenting significant opportunity to mediate costs.

A Future Imperiled by Poverty

Research has consistently confirmed that poverty adversely affects the health and educational attainment of children reared under its mantle, and in turn, the productivity and independence of their adult lives. From one-fourth to nearly one-half of Kentucky's children live in poverty. In dealing with this issue, our long-term strategy must be that of identifying high risk groups and investing in intensive help. If we remain indifferent to the growing needs of Kentucky's poor families with children, we will help ensure the perpetuation of poverty of unacceptable breadth, as well as the deprivation, the mediocrity, the pain and the costly consequences that attend it.

Toward Lifelong Learning

Gaps in education have a visible dollars-and-cents impact on families, communities and states like ours, and it is intensifying. As the workplace and society are gradually reoriented, knowledge will be key to our ability to adapt. Technology's vast embrace of information has challenged millions of workers, who make products ranging from cars to computers, to extend their own intellectual reach, to use and effectively manage a vast store of information and, in the process, become more active participants in the day-to-day business of the enterprises for which they work.

By virtually every measure, however, Kentuckians are undereducated and ill prepared to meet the challenge before us. Prominent among the litany of often repeated deficiencies are high dropout rates, a low rate of college attendance and one of the highest percentages of adults in the nation who do not have a high school diploma. While significant and even dramatic progress is being made, the Commonwealth still has far to go in its drive to close persistent education and training deficits.

In spite of its ranking at or near the bottom of the 50 states in many aspects of educational attainment, Kentucky has ascended to national prominence in educational reform. In just a few short years, the Kentucky Education Reform Act has yielded measurable improvements in the performance of students and engaged thousands of parents, teachers and administrators in a new way of thinking about education.

Increasingly, however, educational need has extended beyond the basics provided by a high school education. By the turn of the Century, the majority of U.S. workers will

need more than a high school diploma. As the demand for highly trained workers who have a solid intellectual foundation continues to expand, the importance of honing the skills of new and current workers is critical to Kentucky's future. In spite of emerging innovations in other states, as well in Kentucky, our current system of education and training remains relatively fragmented, frequently inaccessible or unaffordable, poorly linked to business and industry, and underused. Voices of support for training our present and future workforce through vocational/technical schools, apprenticeships, school-to-work programs, literacy and adult education, on-the-job training, universities and community colleges, as well as other strategies, are remarkably united.

Knowledge and the analytical and creative skills higher education enables are becoming central to our lives. Increasingly, intellect will not only provide public and private institutions with direction, it will shape the work we do, the products we make and the future we build. While higher education continues to provide the intellectual capital needed to meet future challenges, cost poses an increasingly formidable obstacle to its benefits. Competing and compelling needs have eroded once generous public funding for higher education, challenging administrators to do more with fewer state dollars and prompting closer scrutiny at every level.

Responding to Crime

Researchers offer conflicting analyses of crime data, even as public opinion surveys record deep alarm about its presumed expansion. Some researchers conclude that violent crime is not escalating, contrary to widely held assumptions. Instead, they suggest, our response to crime — the criminalization of more acts, particularly drug offenses, increased reporting, more accurate data collection, and more effective responses — have combined to create the impression of an exaggerated increase in crime.

While Kentucky's crime rate is quite low and only a fraction of regional (Southern) and national crime rates, available data on violent crime suggest it may be rising in Kentucky. Moreover, juvenile arrests for serious offenses have also risen.

Predictably, prison populations have risen accordingly. Over the past 20 years, the rate of incarceration has increased 233 percent in Kentucky. The rising costs associated with increased incarceration are challenging policymakers to discover and implement alternatives to prison. As an important starting point, Kentucky's criminal justice system has begun to explore mediation as an alternative to litigation and to shift nonviolent offenders to less costly facilities or, in some cases, to home incarceration.

In the years to come, it is believed that rising crime rates and increasing costs will be partly ameliorated by technological advances, which will assist the courts, law enforcement and corrections. Moreover, white collar crime is expected to become more commonplace, moving a substantial portion of crime off the streets. Consequently, in addition to adapting to new technologies, Kentucky's law enforcement agencies must prepare for changing types of crimes.

Building Social Capital

The effectiveness of government in the future will depend upon the ability of its leaders to overcome cynicism, alienation and even despair among the citizens it serves and build the social capital or citizen participation needed to meet the challenges before us. Research shows that those communities and regions which enjoy high levels of civic engagement are far more prosperous. While hopeful signs of rising engagement can be detected in the civic life of Kentucky, many community activists observe that, for a variety of reasons, civic engagement is inadequate and, therefore, self-limiting. Despite this, government must, as a matter of routine, turn to citizens for guidance, direction and support, if it hopes to build the social capital on which successful development relies.